



•	Message from the President
8	Message from the Chairman
12	GOCC in Numbers
13	GOCCs Approved for Dispositive Action in 2018
14	Rationalizing the GOCC Sector
18	GOCC Financial Landscape
19	Assets
20	Liabilities
21	Net Worth
22	Net Lending
23	Comprehensive Income
24	Subsidies
26	Dividends
28	GOCC Accomplishments
29	Reliable and Accessible Financial System
30	Expanded Social Protection
33	Accessible and Secured Shelter
35	Improved Water Accessibility
36	Accessible and Reliable Electricity
37	Improving Accessibility and Mobility in Trade and Tourism
42	World Class Tourism
42	Gaming and Entertainment Industry
43	Accelerating Growth Through Regional Development
45	Competitive and Sustainable Food Production
48	Driving Continual Performance Improvement through a Standardized Customer Satisfaction Survey
53	Institutionalizing Risk Management in GCG and the GOCC Sector
57	Securing GCG and GOCC Information and Infostructures
60	The GCG Strategy Map
63	GCG Culture and Values
75	GCG Audited Financial Statement
77	Statement of Financial Position
78	Statement of Financial Performance
79	Statement of Cash Flows
80	Statement of Changes in Net Assets/Equity
81	GOCC Sector Financial Summaries

GCG and Its Mandate

4



The GOVERNANCE COMMISSION FOR GOCCS (GCG) was created under Republic Act No. 10149 (R.A. No. 10149), otherwise known as the "GOCC Governance Act of 2011", as the central policy-making and regulatory body mandated to safeguard the State's ownership rights and ensure that the operations of GOCCs are transparent and responsive to the needs of the public. Towards this end, it empowered the Governance Commission to:

- Oversee the selection and nomination of directors/trustees and maintain the quality of Board Governance;
- Institutionalize transparency, accountability, financial viability and responsiveness in corporate performance by monitoring and evaluating GOCCs' performance;
- Rationalize the Sector through streamlining, reorganization, merger, as well as recommending to the President of the Philippines the privatization or abolition of a GOCC;
- Establish compensation standards to ensure reasonable and competitive remuneration schemes that attract and retain the right talent.



GCG has three appointive members of the Commission and two ex-officio members – the Secretary of Finance and the Secretary of Budget and Management.

Since its first meeting on 20 October 2011 the Governance Commission has introduced major policy reforms such as the Fit and Proper Rule for Appointive Directors and CEOs of GOCCs, the Ownership and Operations Manual Governing the GOCC Sector, and the Code of Corporate Governance for GOCCs.

It established the Performance Evaluation System that enabled GOCCs to identify their strategies for development and achieving breakthrough results. GCG also instituted the adoption of the Quality Management System (ISO 9001:2015) in GOCCs to link regular strategy and operations review to process re-engineering.

The Governance Commission also implemented the Performance Evaluation for Directors in order to monitor and assess the performance of appointive directors in GOCCs through peer review, organizational performance, and board attendance.

The GCG continues to raise corporate governance standards and practices in the government corporate sector and reinforce these by introducing global best practices in GOCCs.

Message from the President

___66___

...GCG remains steadfast in ensuring transparency and financial viability in this sector by instituting the necessary reforms and overseeing the collective performance of GOCCs across the country.

--- >> ---

My warmest greetings to the Governance Commission for Government Owned or Controlled Corporations (GCG) as it publishes its 2018 Annual Report.

Government Owned or Controlled Corporations (GOCCs) are major contributors to our economy's growth through the vital services they render and the substantial revenue they generate. I am pleased to know that GCG remains steadfast in ensuring transparency and financial viability in this sector by instituting the necessary reforms and overseeing the collective performance of GOCCs across the country.

May this report highlight the milestones of the GOCC sector in increasing their collective income, ensuring customer satisfaction, managing financial risks and securing the infostructures of government corporations. I am confident that through these gains, the commission will be inspired to further strengthen governance practices through better decision-making processes and corporate policies.

Let this publication renew the agency's sense of service as it faces the future with hope and determination. I trust that you will continue to promote accountability and integrity even as we pursue reforms towards genuine inclusiveness and economic growth.

I wish you the best in your endeavors.

RODRIGO ROA DUTERTE
The President of the Philippines













.initiatives contribute to the vision of the Governance Commission of a GOCC Sector that is more responsive to the needs of public interest...

The year 2018 marks the 7th year since the Governance Commission's creation by virtue of R.A. No. 10149, otherwise known as the "GOCC Governance Act of 2011." In the seven years of its existence, the Governance Commission is unwavering in fervently implementing its mandates under the said law. GCG functions as the central policy-making and regulatory body mandated to safeguard the State's ownership rights and ensures that the operations of Government-Owned or Controlled Corporations (GOCCs) are transparent and responsive to the needs of the public.

The Governance Commission institutionalized the performance monitoring and evaluation and corporate governance standards of the GOCC Sector. In 2018, GCG has produced several issuances to reinforce these standards and programs.

Following the establishment of the Standard Methodology on GOCCs' Customer Satisfaction Survey in 2017, GOCCs were set to start the implementation of the same in 2018. The initiative primarily aims to standardize the conduct and administration of the survey within the Sector and to assess these government corporations, based on their customers' feedback, across the identified dimensions. It also targets to determine possible areas of improvement to ensure quality service to their stakeholders. The Standard Methodology and Questionnaire were rolled out to seventy-eight (78) GOCCs in May 2018.

This Standard Methodology on GOCCs' Customer Satisfaction Survey supports the Performance Evaluation System (PES) for GOCCs as it ultimately drives continual improvement of service delivery. It is also in line with the aim of the current Administration to ensure people-centered, clean, and efficient governance per Chapter 5 of the Philippine Development Plan (PDP) 2017-2022.

On January 2018, the Governance Commission issued Memorandum Circular No. 2018–02, entitled "Revocation of GCG MC No. 2013–03 (Re-issued) – Coordination and Alignment of Major Development Projects of the GOCC Sector." This is to amend policies that will guide the GOCCs to a simplified and efficient implementation of their respective major development projects. The Circular streamlines the process of implementing Major Development Projects and Major Contracts of GOCCs. It also emphasizes that all agreements shall not be grossly disadvantageous to the government.

In 2018, the GCG also established its Enterprise Risk Management (ERM) Framework and Policy. ERM is an effective enterprise-wide approach to addressing the full spectrum of the organization's significant risks by considering the combined array of risks as an interrelated portfolio, rather than addressing risks only within silos. It also provides an organization-wide and strategically-aligned portfolio view of organizational challenges for a better insight to most effectively prioritize resource allocations and to ensure successful service delivery. This is part of the Governance Commissions' initiative to institutionalize ERM practices within the organization and eventually roll this out to the government corporate Sector.

Under GCG Memorandum Circular (MC) No. 2012–07 or the Code of Corporate Governance for GOCCs, the GCG required the Governing Boards to perform certain functions concerning risk management. This includes the determination of the GOCC's purpose and value, as well as the adoption of strategies and policies, including risk management policies and programs. This is to ensure that the GOCC survives and thrives despite financial crises. It also ensures that its assets and reputation are adequately protected.

As the Governance Commission began institutionalizing its ERM Framework and Policy, it also started drafting the ERM Policy for GOCCs. This aims to strengthen the risk management practices of government corporations and, in due course, help them to effectively deliver their mandates and services.

The GCG also adopted its Information and Cybersecurity (ICyS) Policy Framework in 2018 through its Internal Memorandum Order (MO) No. 2018–12. The Governance Commission recognized that the information and integrity of the systems of GCG and GOCCs are prone to security and cyber risks. Thus, to address the need to protect these data and information, the Governance Commission established its ICyS Policy Framework following the National Cybersecurity Plan 2022. This initiative is ahead of the Department of Information and Communications Technology's final roll-out of its national cybersecurity strategy framework.

In order to set the baseline for Information and Cybersecurity Protocols and develop a policy for the GOCC Sector, GCG conducted an Information and Cybersecurity Forum for the government corporations during the fourth quarter of 2018.

The establishment of the ICyS Policy Framework and the groundwork on Information and Cybersecurity Protocols for GOCCs are primarily to sustain the mandate under R.A. No. 10149 to develop an Integrated Corporate Reporting System (ICRS). The ICRS is a web-based platform that will assist the National Government in exercising its ownership rights in the

government corporate sector through the provision of up-to-date, complete and relevant information. It also streamlines the various reportorial requirement of GOCCs and promotes greater transparency and timely access to relevant information on the Sector. The data and information reported by government corporations through the ICRS are susceptible to threats and must be secured to remain reliable. Protecting these data and information also means We look forward to safeguarding those internally managed by

All these initiatives contribute to the vision of the Governance Commission of a GOCC Sector that is more responsive to the needs of public interest and in the attainment of enhanced economic growth and development. Having said that, allow me to present our 2018 Annual Report.

GCG and GOCCs themselves.

continue serving our stakeholders by strengthening corporate governance standards and practices of the Sector, and, in so doing, we ensure the financial viability and fiscal discipline of GOCCs as well as its responsiveness to the needs of the Filipino people.





Sector	Number of GOCCs
Government Financial Institutions	26
Trade, Area Development, and Tourism	19
Educational and Cultural	6
Gaming	2
Energy and Materials	13
Agriculture, Fisheries, and Food	16
Jtilities and Communications	18
lealthcare Services	1
Realty/Holding Companies	19
TOTAL CURENT COVERAGE	120

30

GOCCs Approved for Abolition

3

GOCCs Approved for Privatization

23

GOCCs Declared Inactive/Non-operational

GOCC in Numbers

GOCCs Approved for Dispositive Action in 2018

GOCC **Dispositive Action** Benefit to the PH Reason

Guarantv Corporation (HGC)

- → Merged with Philippine Export-Import Credit Agency (PHILEXIM) (approved by the President on 23 July 2018 through Executive Order No. 58, s. 2018)1
- Its functions or purposes duplicate or unnecessarily overlap with, functions, programs, activities or projects already provided by a Government Agency.
- The merger will benefit from economies of scale, prevent operational redundancies; standardize policies, processes and procedures for similar guarantee facilities and programs; facilitate timely approvals, and lower administrative costs;
- A more efficient allocation of government contributions will be achieved with pooling of all resources provided under the different guarantee mechanisms; and
- Under a centralized approach, the National Government (NG) will have a more comprehensive oversight of its guarantees to effectively identify, monitor and control risks; implement necessary measures to manage risks and provide appropriate capital against those risks.

Partido Development Administration (PDA)

- (approved by the President on 25 September 2018 through Office of the President Memorandum Order No. 29)2
- PDA's functions overlap with that of the Local Development Councils which are mandated, under the Local Government Code, to set the direction of economic and social development, and coordinating.
- PDA is not producing the desired outcomes or no longer achieving objectives and purposes for which it was originally designed and implemented.
- PDA has consistently incurred losses. Minimal improvement in its financial operations was noted only in 2016. It has also been dependent on NG advances for the debt servicing of its foreign loan.

- Efficiency as functions are already enshrined to the Barangay, Municipalities/Cities, Provincial level;
- Prevention of incurrence of further expenses with an annual average of ₱ 92.78 million.

Philippine Sugar Corporation (PHILSUCOR)

- (approved by the President on 25 October 2018 through Office of the President Memorandum Order No. 30)3
- Its functions or purposes duplicate or unnecessarily overlap with the functions of the Sugar Regulatory Administration:
- It is not producing the desired outcomes, nor longer achieving objectives and purposes for which it was originally designed and implemented, and/or not cost efficient and does not generate the level of social, physical and economic returns vis-a-vis the resource inputs.
- Efficiency as duplicating functions will be eliminated;
- The abolition could provide an opportunity to realize significant cost savings.

proving the Merger of the Home Guaranty Corporation and the Philippine Export-Import Credit Agency (PHILEXIM), Transferring the Guarantee Functions, Programs and Funds of the Small Busir Corporation, and the Administration of the Agricultural Guarantee Fund Pool and the Industrial Guarantee and Loan Fund to the PHILEXIM, and Renaming the PHILEXIM as the Philippine Guarantee Corporation. Signed by President Rodrigo Roa Duterte on 23 July 2018.

Directing the Abolition of the Partido Development Administration, and for other Purposes. Signed by Executive Secretary Salvador C. Medialdea on 25 September 2018.

ecting the Abolition of the Philippine Sugar Corporation (PHILSUCOR) and for other Purposes. Signed by Executive Secretary Salvador C. Medialdea on 25 October 2018

Rationalizing the GOCC Sector

The Governance Commission has further streamlined the GOCC Sector to 120 in 2018. The approval of the dispositive action on HGC, PDA, and PHILSUCOR rationalized the GOCC Sector as a whole as it eliminates duplicating and overlapping functions with other relevant agencies or GOCCs.

With the approval of the merger of HGC to PHILEXIM, the government can prevent operational redundancies. This will also lead to a more efficient allocation of government contributions and to a more comprehensive oversight of NG guarantees to better serve its stakeholders. Meanwhile, the approval of the

abolition of the PDA will prevent incurrence of further expenses with an annual average of ₱ 92.78 million. Lastly, the approval of the abolition of PHILSUCOR could provide an opportunity to realize significant cost savings.

GCG also conducted a strategic review of operations and organization of certain GOCCs to improve their performance through rationalization of their organizational structure and staffing complement. In 2018, the Governance Commission approved the organizational strengthening of the Local Water Utilities Administration (LWUA) and the National Transmission Corporation (TRANSCO) and the reorganization of the Philippine National Oil Company (PNOC).





Created by virtue of Presidential Decree (P.D.) No.198,4 and amended by P.D. Nos. 768 5 and 1479.6 the Local Water Utilities Administration (LWUA) is a specialized lending institution for the promotion, development, and financing of local water utilities in provincial cities and municipalities outside of Metropolitan Manila.

LWUA extends loans to water districts at concessionary terms based on potential for development and continued viability. It also sets the standards for local water utilities in terms of water quality, design and construction, and operations and maintenance.

LWUA revisited its organizational structure to address its concerns on existing expertise in water supply system development and water districts' (WD) institutional development, deficient attention and support for the wastewater and sewerage systems of WDs, and compromised income and cash flow due to high non-performing loans (NPL) ratio.

The reorganization was also needed to address concerns regarding its manpower. LWUA relied on the contract of service personnel to complement its operational and functional issues, with three hundred eighteen (318) regular employees and ninety-eight (98) contract of service personnel. In addition, the average age of LWUA regular workforce was 57, with the age group 50-59 comprising 66% of the total filled positions.



The reorganization is expected to assist LWUA to overcome challenges and perform its functions through an integration of advisory and compliance monitoring functions, strengthened loans and water rates evaluation. and intensified engineering operations.

Some positions were upgraded while several units in the organization were merged. Various roles in the Institutional Development Service were unified and strengthened to support and cater to the needs of water districts in various operational categories. With the upgrading of the Engineering Unit into a Service, more opportunities were created.

The strengthened staff structure is expected to enable LWUA to become a viable and effective organization—a step closer in achieving adequate and sustainable water and sanitation services.

ring a National Policy Favouring Local Operation and Control of Water Systems; Authorizing the Formation of Local Water Districts And Providing for the Government And Administration of Such Districts; Chartering a National Administration to Facilitate Improvement of Local Water Utilities; Granting said Administration such Powers as are Necessary to Optimize Public Service from Water Utility Operations, and for Other Purposes, dated 25 May 1973.

5 Amending Presidential Decree No. 198, dated 15 August 1975.

6 Further Amending P.D. No. 198 as Amended by P.D. No. 768, dated 11 June 1978.

Philippine National Oil Company (PNOC)



On 9 November 1973, the Philippine National Oil Company (PNOC) was created by virtue of Presidential Decree (P.D.) No. 334⁷ to undertake to explore, exploit, and develop all energy sources of the country.

The Governance Commission, through Memorandum Order Nos. 2014–25 and No. 2014–26, directed PNOC to dissolve its two (2) subsidiaries – PNOC Development Management Corporation (PNOC DMC) and PNOC Alternative Fuels Corporation (PNOC AFC). In compliance with this directive, PNOC went through a transformation from a holding company into an operating company.

This transformation will allow the company to take over the assets and on-going projects of the dissolved subsidiaries and implement future energy program and projects.

With the endorsement of the Secretary of the Department of Energy (DOE) for the reorganization of PNOC, the company will be equipped with necessary skills and competence in developing new energy projects, taking over the operations of existing energy projects, and managing all its assets.

The proposed new structure composes of forty (40) organizational units and one hundred ninety-eight (198) plantilla positions. This represents a decrease of twelve positions (12) from its previously authorized plantilla of two hundred ten (210) positions.

The reorganization of PNOC is expected to support and strengthen all branches of oil exploration and research and enable it to maintain the highest standards of service and corporate governance.

7 "Charter of the Philippine National Oil Company," 09 November 1973



17

National Transmission Corporation (TRANSCO)



The National Transmission Corporation (TransCo) was created by virtue of R.A. No. 9136 or the "Electric Power Industry Reform Act of 2001 (EPIRA)," to manage and operate the nationwide electrical transmission and sub-transmission system from the National Power Corporation (NPC).

The operation and management of the transmission system was taken over by the National Grid Corporation of the Philippines (NGCP) after being granted a congressional franchise through R.A. No. 9511. ⁹ This concession was in line with the state's directive to encourage the private sector to infuse capital in the electric power industry.

On 15 January 2009, TransCo turned over the management and operation of its nationwide transmission system to NGCP. Ownership of all transmission assets however, remains with TransCo in accordance with the concession agreement.

Apart from exercising the state's ownership of transmission assets, TransCo is also mandated to protect the National Government's interests by ensuring the compliance of NGCP with the concession agreement and the policies of the Department of Energy. It also handles right-of-way (ROW) claims, divests the remaining sub-transmission assets, and administers the Feed-in Tariff Allowance (FIT-AII) Fund for renewable energy generators.

In its assessment of organizational requirements, TransCo found the need to address gaps and inefficiencies in its current operations. It needed to provide positions that are aligned with the needs and functions of the corporation in the management of voluminous ROW claims and transmission assets, in development of policies, in monitoring of performance and management of resources, as well as in the administration of the FIT-All Fund.

To deal with this need, the strengthening of the organizational structure and staffing was proposed. This composes of seventy-one (71) organizational units and two hundred ninety-one (291) plantilla positions.

The organizational strengthening of TRANSCO is seen to improve its corporate performance by reinforcing its technical services, policy, strategy and competency development, asset registry and management, as well as institutionalizing the integration of central records management.

⁸ "An Act Ordaining Reforms in the Electric Power Industry, Amending for the Purpose Certain Laws and for Other Purposes," 08 June 2001.

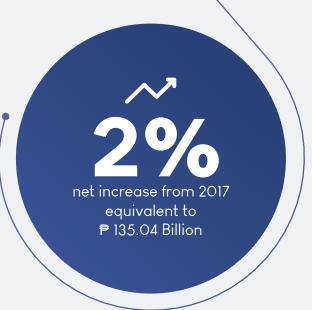
^{° &}quot;An Act Granting the National Grid Corporation of the Philippines a Franchise to Engage in the Business of Conveying or Transmitting Electricity through High Voltage Backbone System of Interconnected Transmission Lines, Substations and Related Facilities, and for Other Purposes," 1 December 2008.



Assets



Total Assets of the GOCC Sector registered a minimal net increase of 2% from 2017 equivalent to ₱135.04 Billion. The Gaming Sector registered the highest increase in terms of the absolute amount at 62% while the Government Financial Institutions (GFIs) Sector registered a ₱451.34 Billion increase. GOCCs under the Agriculture, Fisheries, and Food Sector registered a significant decrease with a ₱309.26 Billion decrease equivalent to 89% downward change. This downward change was brought about by the recognition and recording of



Intra-Agency Receivables of the National Food Authority (NFA) following the Commission on Audit (COA)-prescribed financial reporting. The continued growth and expansion of government banks and social security institutions remain key leverage, offsetting the decrease in the Total Assets. Collectively, the GFIs Sector accounts for 67% of the Total Assets of the GOCC Sector.

	Assets	of th	ne G	occ	Sector
--	--------	-------	------	-----	--------

GOCC Sector	2017 (in ₱ Million)	2018 (in ₱ Million)	Change
Government Financial Institutions	4,844,924.91	5,296,266.39	9%
Trade, Area Development and Tourism	398,305.52	441,373.01	11%
Educational and Cultural	8,972.53	9,171.68	2%
Gaming	61,230.00	99,400.36	62%
Energy and Materials	1,230,998.45	1,104,204.47	-10%
Agriculture, Fisheries and Food	345,806.24	36,551.15	-89%
Utilities and Communications	890,628.74	928,980.26	4%
Realty/Holding Companies	167.85	126.10	-25%
TOTAL	7,781,034.24	7,916,073.42	2%

Liabilities



On the other hand, Liabilities totaled at \$\mathbb{P}4.29\$ Trillion in 2018, maintaining the same level with that of 2017. Majority of the Total Liabilities come from the GFIs Sector with 63%, and the Energy and Materials Sector, which accounts for 22% of the 2018 yearend balance. The Gaming Sector registered the highest percentage change with 53% while the GFIs Sector registered the highest increase in terms of absolute amount with \$\mathbb{P}334.34\$ Billion.



Such increases were matched with a decrease in the Total Liabilities led by the Agriculture, Fisheries and Food Sector with \$\mathref{P}\$308.67 Billion or a 65% downward change.

Liabilities of the GOCC Sector			
GOCC Sector	2017 (in ₱ Million)	2018 (in ₱ Million)	Change
Government Financial Institutions	2,381,271.07	2,715,610.17	14%
Trade, Area Development and Tourism	113,055.59	131,487.16	16%
Educational and Cultural	1,182.54	1,370.68	16%
Gaming	38,206.18	58,628.84	53%
Energy and Materials	970,082.21	930,826.19	-4%
Agriculture, Fisheries and Food	475,728.35	167,058.93	-65%
Utilities and Communications	309,480.37	284,779.67	-8%
Realty/Holding Companies	22.27	27.34	23%
TOTAL	4,289,028.59	4,289,788.98	0%

Net Worth



Total net worth of the entire GOCC Sector marginally increased by ₱134.28 Billion or 3.84% from 2017. The Gaming Sector registered the biggest growth at 77% equivalent to ₱17.75 Billion. Meanwhile, the Energy and Materials Sector registered a decrease in the amount of ₱87.54 Billion or a −34% change.

Notwithstanding these changes, the difference in the GFIs Sector's Net Worth weighs in the most as it constitutes 71% of the Total Net Worth of the GOCC Sector. However, despite the 5% improvement in the Net Worth of the GFIs Sector, it is negated by the significant decrease registered by Light Rail Transit Authority (LRTA) at -17,608% and the Power Sector Assets and Liabilities Management (PSALM) at -264%. The decrease in LRTA's Property, Plant, and Equipment, amounting to ₱2.36 Billion, is primarily associated with the decrease in its Net Worth. Meanwhile. the decrease of PSALM's is due to adjustments in the recording of its investment in the National Transmission Corporation (TRANSCO) in compliance with COA-prescribed financial reporting.

marginally increased by ₱134.28 Billion or 3.84% from 2017 On the other hand, the Net Worth of Mactan-Cebu International Airport Authority (MCIAA) quadrupled from ₱12.16 Billion in 2017 to ₱64.22 Billion in 2018. This is mainly attributed to the recognition of the Revaluation Surplus in the carrying cost of MCIAA's Land, amounting to ₱51.78 Billion.

. •	Net Worth of the GOCC Sector
	000000

GOCC Sector	2017 (in ₱ Million)	2018 (in ₱ Million)	Change
Government Financial Institutions	2,463,653.84	2,580,656.22	5%
Trade, Area Development and Tourism	285,249.93	309,885.85	9%
Educational and Cultural	7,789.99	7,801.01	0%
Gaming	23,023.82	40,771.52	77%
Energy and Materials	260,916.23	173,378.28	-34%
Agriculture, Fisheries and Food	(129,922.12)	(130,507.78)	0%
Utilities and Communications	581,148.37	644,200.59	11%
Realty/Holding Companies	141.07	98.76	-30%
TOTAL	3,492,001.14	3,626,284.45	4%

Net Lending

Net Lending refers to the advances made by the National Government for the servicing of guaranteed and re-lent domestic and foreign borrowings of GOCCs.

Records from the Bureau of Treasury show that Net Lending of GOCCs increased significantly from \$\mathbb{P}4.24\$ Billion in 2017 to \$\mathbb{P}7.015\$ Billion in 2018. However, note that the ending figure in 2017 was due to the payment of PSALM amounting to \$\mathbb{P}10\$ Billion (out of \$\mathbb{P}12.71\$ Billion payments made in 2017) negating the \$\mathbb{P}8.476\$ Billion advances granted in 2017. Although the Sector paid a total amount of \$\mathbb{P}5.88\$ Billion in 2018, the amount is significantly lower than the advances granted for the year totaling to \$\mathbb{P}12.89\$ Billion.

7.015B
increased significantly
from \$\frac{1}{2}4.24 \text{ Billion in 2017}

to ₱7.015 Billion in 2018

In terms of amount, NG Advances granted to three (3) GOCCs make up most of the total amount registered in 2018: PSALM: ₱2.140 Billion, NFA: ₱6.551 Billion, and National Irrigation Administration (NIA): ₱1.38 Billion.

Comprehensive Income



The adjusted comprehensive income of the GOCC Sector increased from ₱214.46 Billion in 2017 to ₱225.43 Billion in 2018



The adjusted comprehensive income is used for this report to show a better measure of the financial performance of the GOCCs. This normalizes the earnings by removing the effects of subsidies, unrealized gains and losses, paper gains and losses, and income from subsidiaries.

The adjusted comprehensive income of the GOCC Sector increased by 5% from ₱214.46 Billion in 2017 to ₱225.43 Billion in 2018. While the comprehensive income of most of the GOCC sectors declined, the overall increase was driven by the Gaming Sector (253%), and Agriculture, Fisheries and Food Sector (62%). Among the significant contributors in the growth in the 2018 comprehensive income were Philippine Amusement Gaming Corporation (PAGCOR), Home Guaranty Corporation (HGC), and Philippine International Trading Corporation (PITC). PAGCOR registered an end-of-year comprehensive income of ₱31.49 Billion from ₱4.95 Billion in 2017 or a 537% increase. HGC's comprehensive income increased by 310% and PITC's by 365%.

Comprehensive Income of the GOCC Sector - - -

GOCC Sector	2017 (in ₱ Million)	2018 (in ₱ Million)	Change
Government Financial Institutions	170,443.83	164,443.07	-4%
Trade, Area Development and Tourism	4,776.00	4,629.44	-3%
Educational and Cultural	-312.26	-400.65	-28%
Gaming	10,017.08	35,376.13	253%
Energy and Materials	623.04	-8,027.85	-1,389%
Agriculture, Fisheries and Food	-3,044.04	-1,157.94	62%
Utilities and Communications	32,537.21	30,563.66	-6%
Realty/Holding Companies	41.17	5.33	-87%
TOTAL	215,082.03	225,431.21	5%

Subsidies

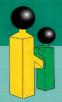


The Governance Commission has been promoting the proper distinction between subsidies and program funds received by the GOCC Sector. The term 'subsidy' is almost always taken to mean the underperformance of agencies or inability to cover their operating expenses and further incurrence of corporate deficits and losses. While this may be true in some cases, note that the bulk of budgetary support released to GOCCs is program or project funds.

Program or project subsidies are funds coursed through GOCCs to more efficiently implement specific projects or programs in the fulfillment of the vision of the National Government. Thus, any movement in the amounts of government subsidies could not be considered as an accurate measure of the performance – financial or otherwise – of GOCCs.

Program subsidies given to GOCCs have different intent and purpose, depending on the priority of the government. Subsidies can be used to implement infrastructure projects; as in the case of infrastructure projects implemented by the NIA. In 2018, NIA received a total of ₱28.43 Billion or about 22% of the total budgetary support released to GOCCs which amounted to ₱128.93 Billion for the year. The funds released to NIA supported the construction, operation, and maintenance of national and communal irrigation systems. A total of ₱25.622 Billion was also coursed through Land Bank of the Philippines to set up a loan facility for the implementation of the Public Utility Vehicles (PUV) Modernization project and the Tax Reform Cash Transfer Project.





Aside from the implementation of infrastructure projects, program subsidies are used to fund the provision of basic human needs and protection of the vulnerable sector of society. Programs such as provision of universal health care services implemented by Philippine Health Insurance Corporation (PhilHealth) deliver direct benefits to its intended beneficiaries. PhilHealth received 41% or ₱52.95 Billion of the total subsidies in 2018 for the implementation of the Universal Health Care. It will cover the payment of premium contributions and medical claims of the subsidized sector, such as the indigent members, senior citizens, and sponsored members.

GOCC Sector	2017 (in ₱ Million)	2018 (in ₱ Million)	Change
Government Financial Institutions	53,461.00	85,676.00	60%
Trade, Area Development and Tourism	21,164.00	1,110.00	-95%
Educational and Cultural	606.00	573.00	-5%
Gaming	MANAGEMENT	1/1////-	1/1-1
Energy and Materials	3,142.00	2,552.00	-19%
Agriculture, Fisheries and Food	7,962.00	9,343.00	17%
Utilities and Communications	36,782.00	29,678.00	-19%
TOTAL	123,117.00	128,932.00	5%

26

Dividends



The GOCC Sector continued to return a significant amount of its income to the national coffers through dividend remittances. Under R.A. No. 7656, otherwise known as the "Dividends Law." GOCCs are required to declare and remit at least fifty percent (50%) of their annual net earnings as cash, stock or property dividends to the National Government. The law also provides an exemption to Social Security Institutions such as, but not limited to, the Government Service Insurance System (GSIS), Home **Development Mutual** Fund (Pag-IBIG), Social Security System (SSS), PhilHealth and **Employees** Compensation Commission (ECC).

33%
BTr recorded a total amount of ₱35.40 Billion dividends received from the GOCCs... higher by 33% than the total remittances in 2017

The dividends turned over to the Bureau of Treasury (BTr) in 2018 are based on the total earnings of GOCCs in 2017. For 2018, the BTr recorded a total amount of ₱35.40 Billion dividends received from the GOCCs covered by R.A. No. 10149. This amount is higher by 33% than the total remittances in 2017, which amounted to ₱26.71 Billion. The significant rise in the dividends remitted is attributable to the increase in dividend remittance of the Food Terminal, Inc. (FTI) (₱963.79 Million), PAGCOR (₱2.59 Billion), and Philippine Ports Authority (PPA) (₱3.10 Billion). The year 2018 also recorded, for the first time, the dividend remittance of the Philippine Charity Sweepstakes Office (PCSO) amounting to ₱2.54 Billion.

Furthermore, the number of GOCCs included in the prestigious "Billionaire's Club," or those that remitted at least ₱1 Billion to the National Government, remained at seven (7); the same level as last year. Apart from the Development Bank of the Philippines (DBP), all six (6) GOCCs included in the Billionaire's Club maintained its status for 2018. The table shows the top ten (10) remitting GOCCs for 2018:

•	Top Ter	Remitting	GOCCs for 2018	
•	10b lei	ı Kellillili	GOCCS IOI ZOIO	

	GOCC	2017 (in ₱ Million)	2018 (in ₱ Million)	Change
1	Philippine Deposit Insurance Corp. (PDIC)	7,461.22	8,844.30	19%
2	Civil Aviation Authority of the Philippines (CAAP)	5,393.88	6,224.97	15%
3	Philippine Ports Authority (PPA)	1,956.43	3,103.32	59%
4	Philippine Amusement and Gaming Corporation (PAGCOR)	1,182.62	2,593.40	119%
5	Philippine Charity Sweepstakes Office (PCSO)	0	2,535.29	-
6	Manila International Airport Authority (MIAA)	2,226.52	2,250.72	1%
7	National Power Corporation (NPC)	1,398.94	1,410.31	1%
8	Food Terminal, Inc. (FTI)	87.27	963.79	1004%
9	Development Bank of the Philippines (DBP)	2,516.16	959.04	-62%
10	Bases Conversion Development Authority (BCDA)	130.02	905.74	597%
	TOTAL	22,353.06	29,790.88	33%

Sources

2017-2018 Commission on Audit Annual Audit Reports of various GOCCs 2018 Unaudited Financial Statements as submitted by GOCCs Consolidated Report from the Bureau of Treasury Cash Operations Report from the Department of Finance





Reliable and Accessible Financial System



Development Bank of the Philippines (DBP)
Loans to Priority Sector

Infrastructure, MSMEs, and Social Services





Land Bank of the Philippines (Landbank)

Loans to Priority Areas

Small Farmers & Fishers, Agriculture & Fisheries, Other Government Programs

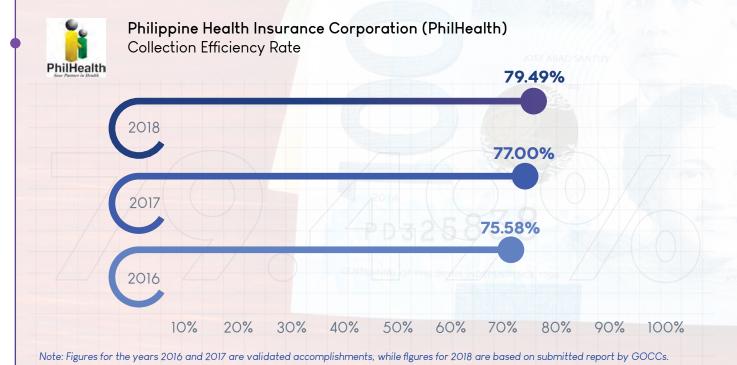




Philippine Deposit Insurance Corporation (PDIC) Insurance Funds Available to Depositors

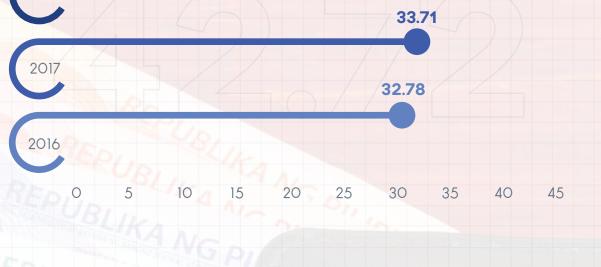


Expanded Social Protection



42.72

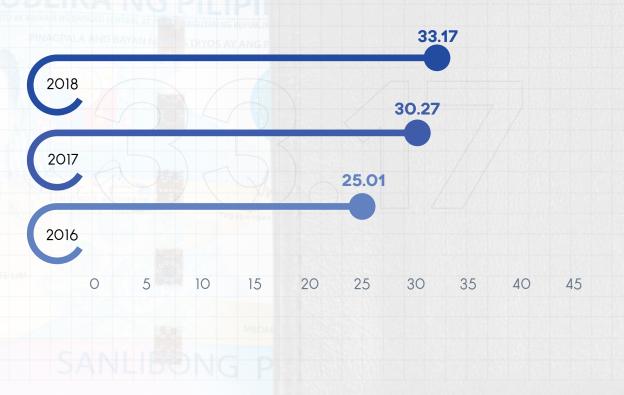






Home Development Mutual Fund (Pag-IBIG) Net Income

in ₱ Billions



GOCC Accomplishments



Social Security System (SSS) Contribution Collections

in ₱ Billions





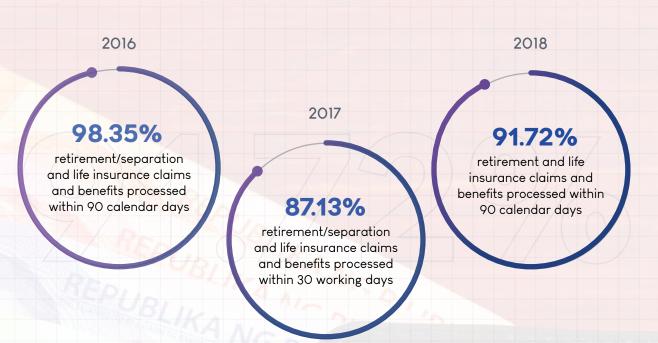
Social Security System (SSS) Percentage of Paying Members over Labor Force





Government Service Insurance System (GSIS)

Percentage of Social Insurance Claims and Benefits Processed within Turnaround Time



Accessible and Secured Shelter



National Housing Authority (NHA)

Number of Housing Units for Informal Settler Families Living Along Danger Areas and Displaced Due to Calamities

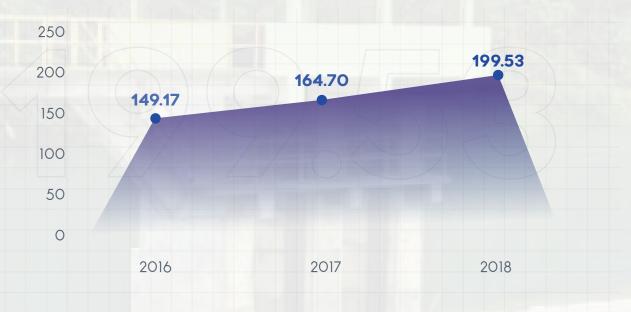


The number of Housing Units for Informal Settlers along Danger Areas, those affected by Government Infrastructure Projects, and displaced due to calamities decreased due to issues such as inclement weather and site conditions.



Home Guaranty Corporation (HGC) Total Value of Loans Guaranteed

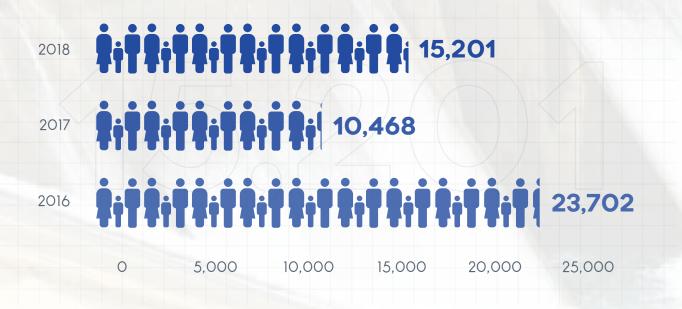
in ₱ Billions



SHEC

Social Housing Finance Corporation (SHFC)

Number of Families Assisted Through Community Mortgage Program (CMP) and High Density Housing Program (HDHP)



After the constraints brought about by the change in administration and funding needs, SHFC was able to pick up the provision of affordable housing programs to informal settler families.



National Home Mortgage Finance Corporation (NHMFC)

Value of Funds Provided to Originators to be Recycled to Housing through Securitization

in ₱ Millions

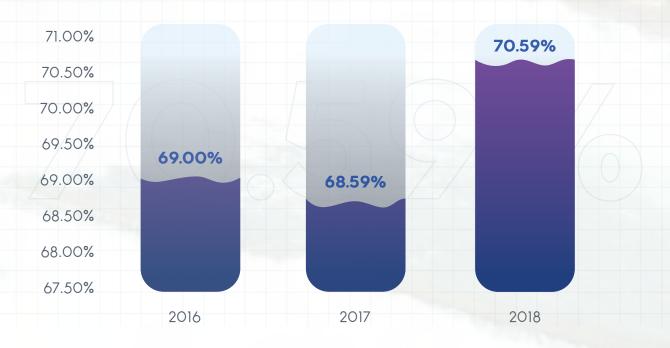


Improved Water Accessibility



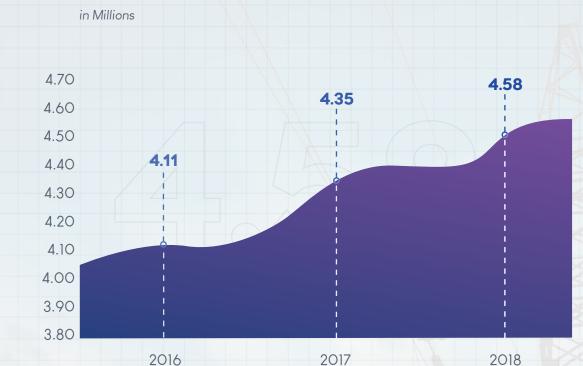
Local Water Utilities Administration (LWUA)
Percentage of Operational Water Districts (WD) with the capacity to supply water 24/7

Operational WDs over Active WDs





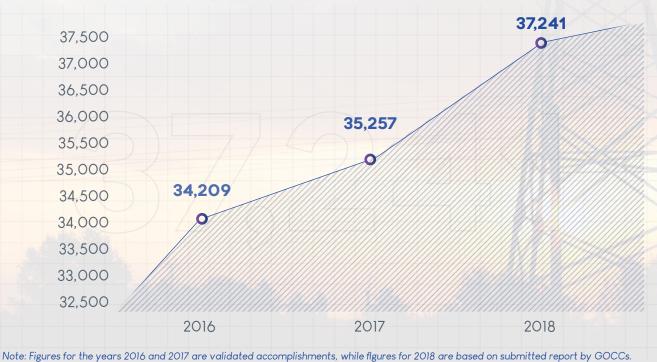
Local Water Utilities Administration (LWUA)
Households Outside Metro Manila Served with Individual
Connection to Water



Accessible and Reliable Electricity

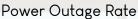


National Electrification Administration (NEA)
Total Number of Completed and Energized Sitio Projects





National Power Corporation (NPC)





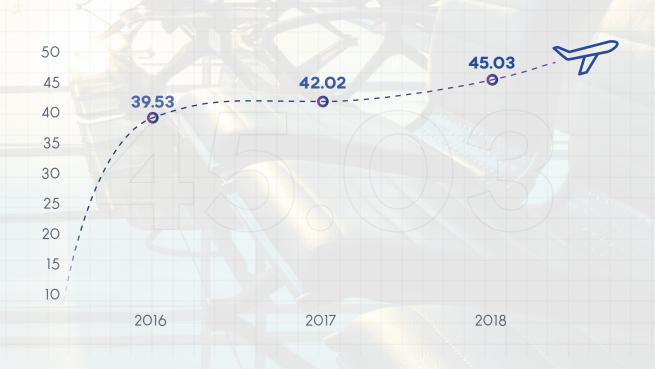
Improving Accessibility and Mobility in Trade and Tourism



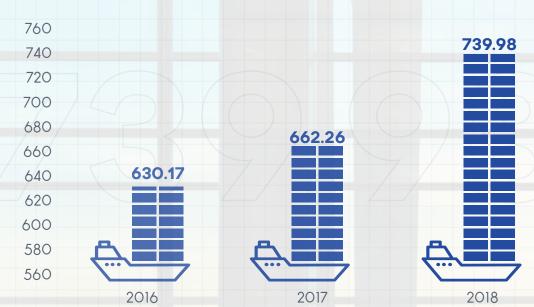
Manila International Airport Authority (MIAA)

Increase in Passenger Volume

in Millions









Philippine Ports Authority (PPA) Increase in Passenger Volume in Millions



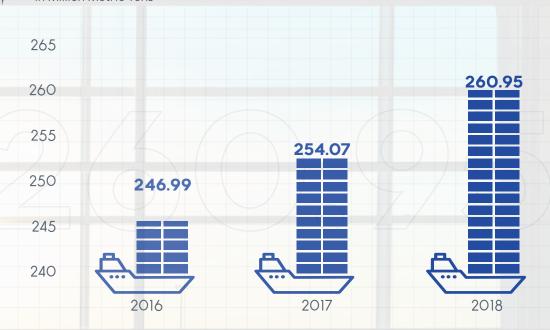






Philippine Ports Authority (PPA) Increase in Cargo Volume

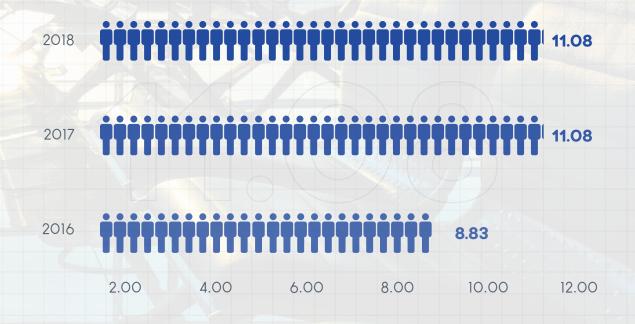
in Million Metric Tons





Mactan-Cebu International Airport Authority (MCIAA) Increase in Number of Passengers

in Millions





Mactan-Cebu International Airport Authority (MCIAA) Increase in Cargo Volume

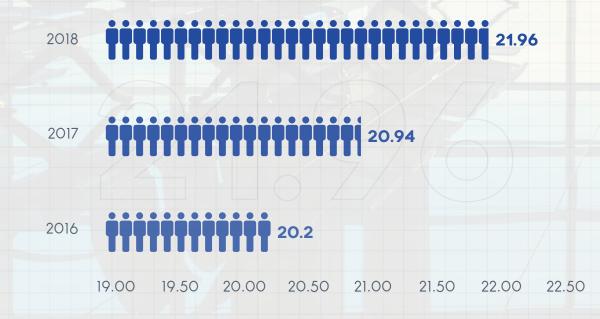
in Million Metric Tons





Cebu Port Authority (CPA) Increase in Passenger Traffic

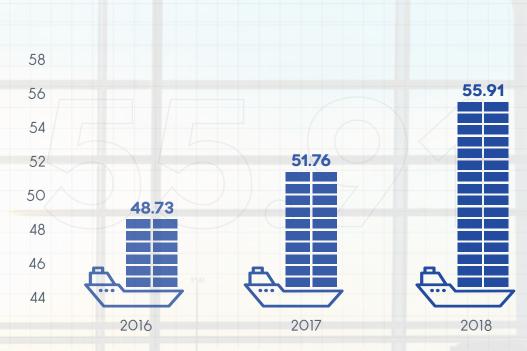
in Millions





Cebu Port Authority (CPA) Increase in Cargo Volume

in Million Metric Tons



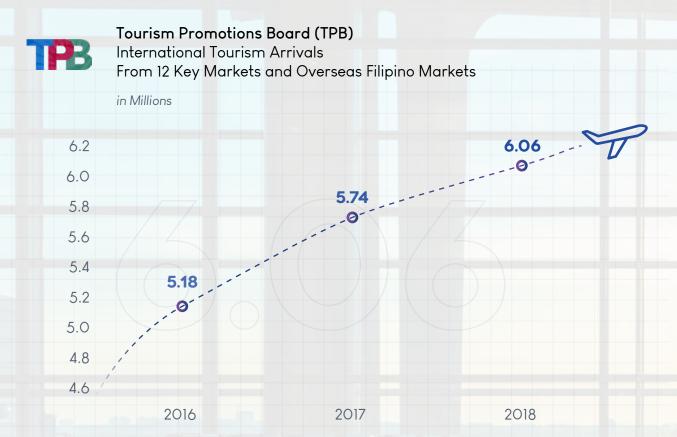


Clark International Airport Corporation (CIAC) Increase in Passenger Traffic

in Millions



World Class Tourism



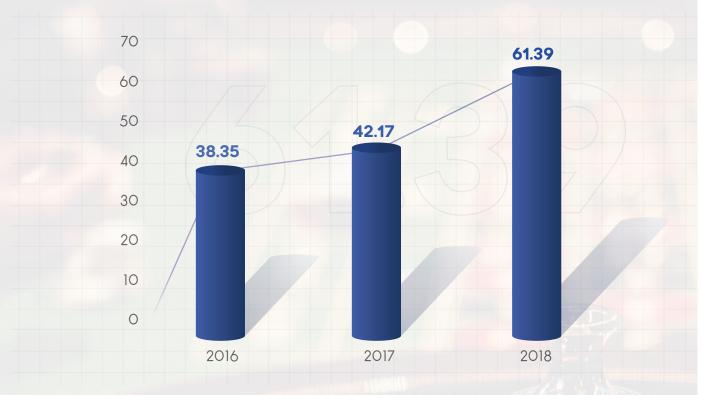
Gaming and Entertainment Industry





Philippine Amusement Gaming Corporation (PAGCOR) Total Contributions to the National Government

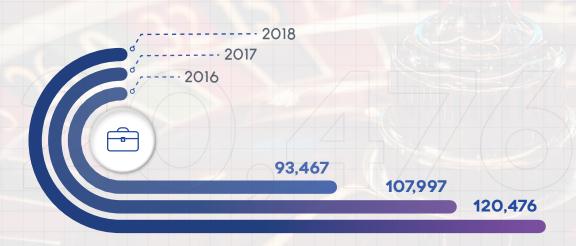
in ₱ Billions



Accelerating Growth Through Regional Development



Clark Development Corporation (CDC)
Number of Jobs Generated in the Clark Freeport Zone (CFZ)

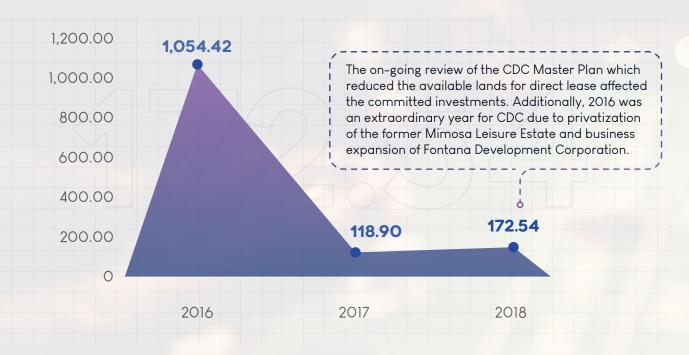




Clark Development Corporation (CDC)

New Committed Investments in the Clark Freeport Zone (CFZ)

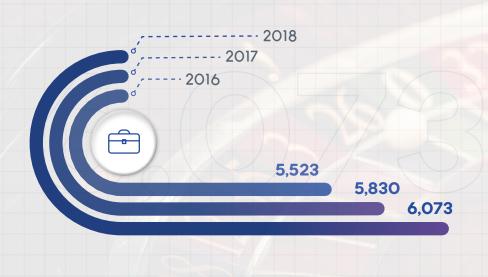
in \$ Millions



Harmonia of the Philippoints (1986) of the Problem JHMC JHMC MET BUT MAXAGEMENT OF THE PROBLEM OF THE PHILIPPOINT OF THE PHILIPPO

John Hay Management Corporation (JHMC)

Number of Jobs Generated in the John Hay Special Economic Zone (JHSEZ)





John Hay Management Corporation (JHMC)

Gross Sales of Business Enterprises Within the John Hay Special Economic Zone (JHSEZ)

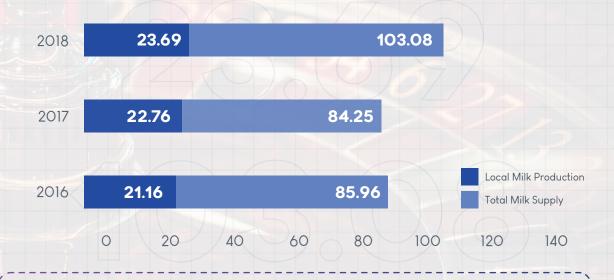
in ₱ Millions



Competitive and Sustainable Food Production



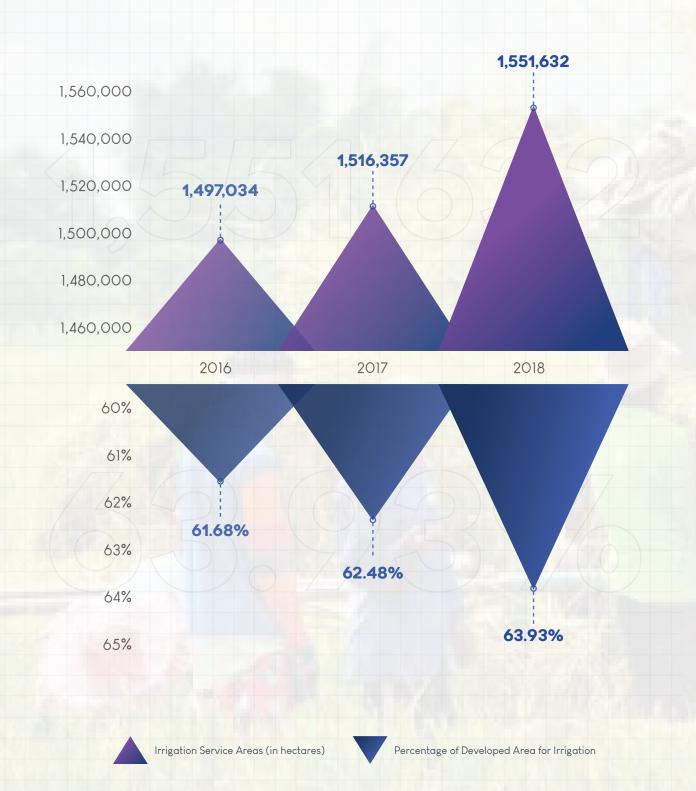
National Dairy Authority (NDA)
Local Liquid Milk Production Over Total Supply



The increasing production of local liquid milk decreases the amount of liquid milk imported to 70%.

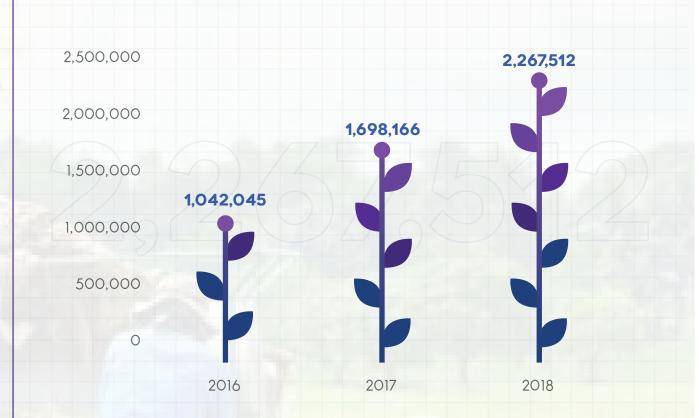


National Irrigation Administration (NIA) Irrigation Service Areas and Percentage of Developed Area for Irrigation



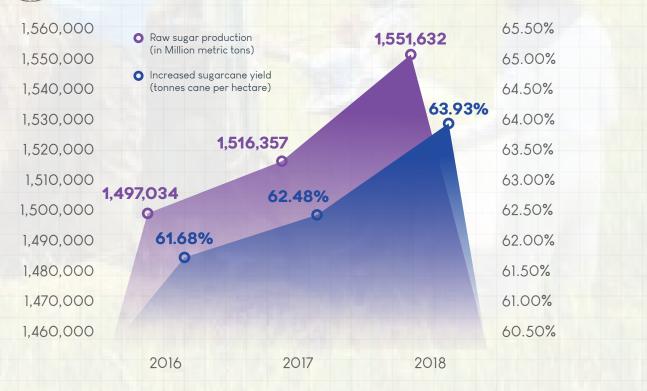


Philippine Crop Insurance Corporation (PCIC) Number of Subsistence Farmers Enrolled in Crop Protection



TORY AD THE PROPERTY OF THE PR

Sugar Regulatory Administration (SRA) Raw Sugar Production and Sugarcane Yield



Driving Continual
Performance Improvement
Through a Standardized
Customer Satisfaction Survey

GOCCs are significant tools for economic development which must carry out their functions in a transparent, responsible, and accountable manner, reflecting utmost professionalism and effectiveness.

To ensure that these are achieved, the GOCC Governing Boards are required to fulfill the following under GCG Memorandum Circular (M.C.) No. 2012–07 or the Code of Corporate Governance for GOCCs:

To ensure integrity and honesty in dealings with customers and operate a highly effective and efficient organization focused on meeting customer objectives. Services provided must give fair value and consistent quality, reliability, and safety in return for the price paid.

To operate policies of continuous improvement, of both processes and the skills of the staff, to optimize advancements in all aspect of society and to guarantee that it adds value to its customers' businesses.

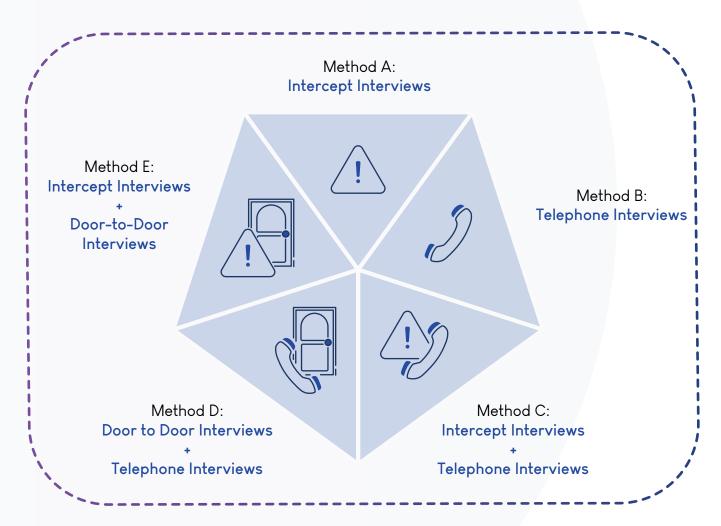
To ensure that GOCCs meet these obligations, the Governance Commission made customer/stakeholder satisfaction a standard performance indicator in the Performance Scorecards of GOCCs. Government corporations were required to conduct stakeholder/customer satisfaction surveys (CSS) to allow customers to provide feedback on the

services they receive. This feedback system encourages civic participation and provides a way for GOCCs to know which of their services need improvement. It also serves as an indicator of customer satisfaction. As GOCCs strive to achieve an exemplary rating, they are also driven to continually improve their delivery of services.

In 2017, the GCG's initiative on the Satisfaction Rating on GOCCs was shortlisted as one of the final programs to be enrolled under the Philippine Open Government Partnership (PH-OGP) National Plan 2017-2019. Under the PH-OGP National Plan, the Governance Commission developed a standardized methodology on the conduct of the GOCC Customer Satisfaction Survey that will periodically indicate the satisfaction level of their respective customers in terms of GOCC operations and services.

Following its commitment, the GCG rolled out the Standard Methodology and Prescribed Questionnaires to GOCCs during the first quarter of 2018.

To create a standard research design for the CSS, GOCCs were grouped into sectors based on similarities in the following factors: (a) objectives/mandate; (b) nature of business; (c) products/services being offered; and (d) nature of customers. Considering these, the Governance Commission grouped the GOCCs into five (5) data gathering methodologies, as follows:



Under the standard method, the CSS will only cover primary customers – those with direct economic transactions with the GOCC. More importantly, the Guidelines provided standard procedures on Sampling per data gathering method, Data Collection, and Data Collection Quality Control. This is to ensure that data gathered for interpretation are of the highest quality. The Guidelines prescribed that GOCCs hire a third-party provider to administer the CSS, as well as to generate and interpret the result to ensure the reliability of data.

The standard methodology rolled out to the GOCCs came with a prescribed questionnaire per organization. The instrument made use of the structured pen-and-paper questionnaire, composed of two (2) sections:

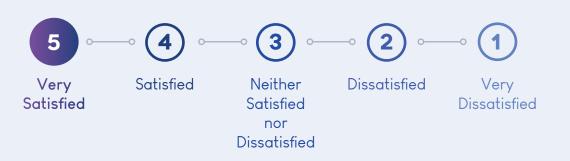
Main questionnaire

I. Overall satisfaction/dissatisfaction rating

II. Execution of Service: Factors to satisfaction/dissatisfaction

The Overall Satisfaction Rating was placed after the Screener portion to capture the immediate sentiment of the customer using a 5-point Likert scale, as follows:





In the 2018 Performance
Scorecards of GOCCs, the
"Percentage of Satisfied
Customers" is a standard
performance indicator under
the Customer/Stakeholder
perspective. For a GOCC to
merit points under this
indicator, at least 80% of its
surveyed customers must have
given at least a "satisfied"
overall satisfaction rating to
the GOCC.



The Service Execution Rating, on the other hand, covers the following drivers of satisfaction predetermined by the Governance Commission based on the survey questionnaires of various GOCCs:

- Staff and Organization
- **b** Facilities
- Complaints Handling and Records Keeping
- Information and Communication
- Service/Product
 Specific Questions

This gathers customer feedback which informs GOCCs specifically which services are satisfactory and which need improvement. Moreover, to ensure effective use of the CSS, GOCCs were only allowed to add questions under Part II of the survey questionnaire but not to modify, alter, edit, or delete any of the existing questions.

Unlike the Overall Satisfaction Rating, the Service Execution Rating made use of a different 5-point Likert scale, as follows:

5 Strongly Agree

Agree

Neither Agree nor Disagree

2 Disagree

1 Strongly Disagree



As part of its commitment under the PH-OGP National Plan, the report on the 2018 CSS of GOCCs will be published by the GCG in 2019. By doing so, the Governance Commission will contribute to an open and transparent government. This is in line with its strategic themes of citizen-centered development and participatory governance, taking after Chapter 5 of the Philippine Development Plan 2017-2022 on a people-centered, clean, and efficient governance.

Institutionalizing Risk Management in GCG and the GOCC Sector

Organizations, whether in the private or public sector, face risks in carrying out its objectives and delivering its products and services. Risk is the effect of uncertainty and any such uncertainty can either threaten the organization or provide opportunities. Identifying, evaluating, and managing risks related to product or service delivery can help prevent or minimize its negative effects and maximize opportunities.

Further, Enterprise Risk Management (ERM) enables organizations to improve decision-making and develop approaches to achieve their objectives. It also helps organizations execute strategies to effectively manage and use resources.

The Governance Commission recognized the unavoidability of risks not only within the agency but in the GOCC Sector as well. GCG and the GOCC Sector can be subject to risks that can cause financial or reputational damage. Risks can also threaten the ability to deliver services and mandates and meet strategic objectives. The Governance Commission also recognized the benefits of an ERM as it enables organizations to properly identify and address risks.

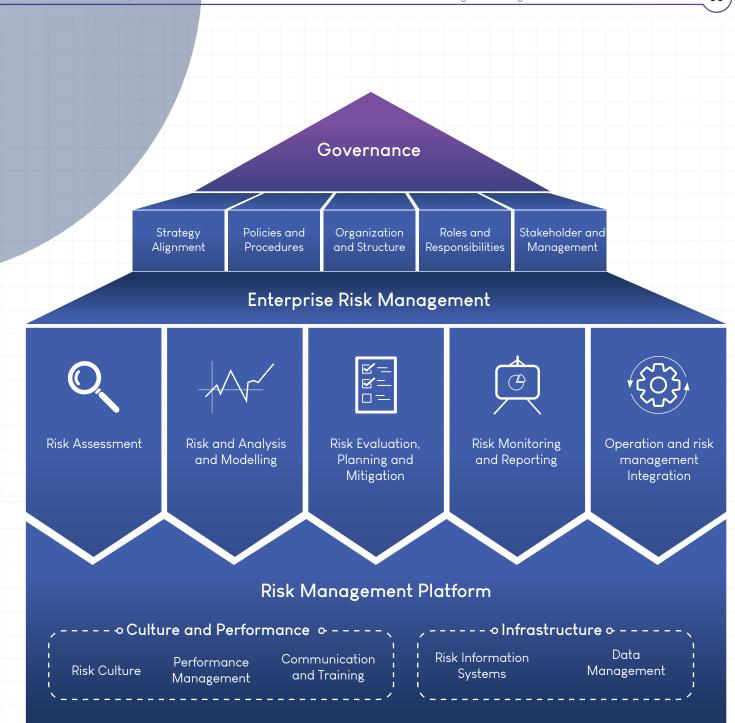
Thus, GCG, in consultation with Isla Lipana, established its ERM Framework and Policy in 2018. The Governance Commission created its ERM Framework and Policy intending to institute a monitoring and evaluation system to improve its risk management process. The development of its own ERM Policy served as a starting point in the creation and implementation of policy concerning risk management of GOCCs.



The GCG ERM Framework and Policy

The GCG ERM (GERM) Framework and Policy establishes an organization-wide and strategically-aligned approach to identifying, assessing, and managing risks. The GERM Framework and Policy draws from local and international best practices from institutions in both the public and private sector. The framework intends to formalize processes and tools which enable the Governance Commission to effectively maximize opportunities and reduce threats. The GCG intends to institutionalize a riskbased culture which improves decision-making, guides the management of resources, strengthens the delivery of strategic and core objectives, and promotes transparency.

Anchored on its mandate to promote a culture of good corporate governance, the Governance Commission envisions to institutionalize sound ERM practices by 2022 to maximize opportunities and reduce threats associated with its strategic objectives. The GERM Framework guides the execution of this vision.



The GERM Framework describes the observance of Risk Governance and Enterprise Risk Management and having a Risk Management Platform in the organization. Risk Governance sets the direction and vision of the Commission concerning ERM. Enterprise Risk Management includes the activities undertaken to effectively reduce threats and maximize opportunities. Lastly, the Risk Management Platform consists of the systems, processes, and capabilities which allow and support the full implementation of GERM activities.

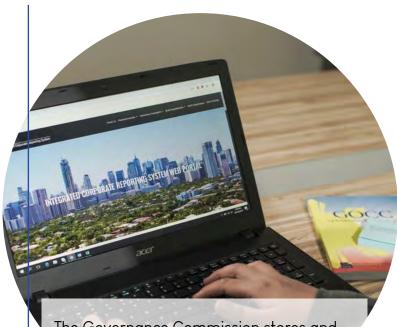


Institutionalizing ERM in GCG and GOCCs

Starting with using the Enterprise Risk Assessment Tool to plan for its targets, measures, and action plans for 2019, GCG is ready to regularly implement the GERM Framework and Policy in 2019. The Governance Commission aims to improve its risk management capabilities through the years as it institutionalizes ERM practices.

Moving forward, GCG also aims to institutionalize ERM in GOCCs to strengthen their corporate governance practices with risk-based thinking and risk-informed decision-making.

Securing GCG and **GOCC Information** and Infostructures



The Governance Commission stores and reports relevant information on GOCCs through the Integrated Corporate Reporting System (ICRS). The ICRS, mandated under R.A. No. 10149, is a web-based platform intended to enhance the transparency and disclosure policies under the said law. GOCCs are required to disclose information on their operations, finances, and management. The ICRS also amplifies the Governance Commission's regulatory capacity through business analytics technology.

GCG acknowledges that this is subject to risks related to security of information and the integrity of the systems of GCG and GOCCs that use the ICRS. The Governance Commission also recognizes that information infrastructures, or infostructures, used for the collection and distribution of such information are subject to cyber threats.

To address the need to protect enterprise data and information and following the National Cybersecurity Plan 2022, GCG established its Information and Cybersecurity (ICyS) Policy Framework in 2018. At the same time, the Governance Commission undertook to start the development of a similar policy for the GOCC Sector.

The ICyS Policy Framework

The ICyS Policy Framework was developed by studying and consolidating global cybersecurity best practices. Based on the study, GCG identified the elements of its ICyS Architecture and how these elements will be implemented. GCG also determined objectives in terms of protecting each element.

The Policy Framework also constituted a technical working group that will create a detailed handbook for the Policy. It also directed the technical working group to develop the Information Security Management System of the Governance Commission geared towards compliance with ISO 27001:2013 standards.



The ICyS Forum

While GCG established its ICyS Policy Framework, it also gathered GOCCs to set the baseline for Information and Cybersecurity protocols for the GOCC Sector.

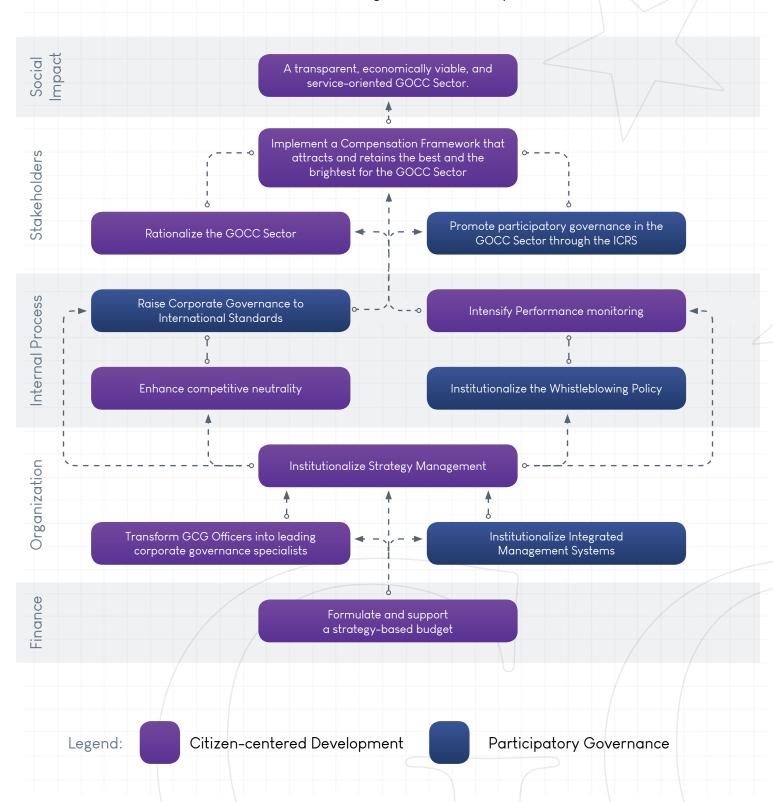
The Governance Commission held an ICyS Forum on 08 and 09 November 2018 and was attended by industry experts and sixty-nine (69) GOCCs. The Forum discussed Governance and Risk Compliance, Data Protection, Information Security, and other industry best practices. It also provided an avenue for GOCCs to assess what information does their organization need to protect. Through the forum, GOCCs also discussed and shared their current Information and Cybersecurity policies and practices.







By 2022, the GCG shall have changed the GOCC Sector making it more responsive to the needs of public interest and in the attainment of enhanced economic growth and development



61

The GCG Strategy Map is an overarching strategy that seeks buy-in and participation from all GCG stakeholders. It is directed towards attaining the Vision for the whole GOCC Sector to be "more responsive to the needs of public interest and in the attainment of enhanced economic growth and development."

The strategic objectives contained in the GCG Strategy Map are anchored on the themes of Citizen–Centered Development and Participatory Governance. Each objective is a step towards changing the GOCC Sector into a tool for citizen–centered development and engaging the public in the process of creating policies for providing quality programs and services for the Filipino people.

In a nutshell, the GCG Strategy Map tells how it must sufficiently allocate its resources to be able to equip and capacitate the organization. The organization is supported by efficient internal processes to effectively perform its mandate and to beneficially deliver services that will impact its stakeholders. By doing all these, the Governance Commission hopes that it will have a more transparent, economically-viable, and service-oriented GOCC Sector.

These strategic objectives are what the GCG aims to accomplish to achieve its Vision.



In pursuit of its Vision, the Governance Commission achieved the following targets in 2018:



Began the implementation of the Standard Methodology on Customer Satisfaction Survey of GOCCs



Enhanced three (3) components of the Integrated Corporate Reporting System



Reached a 53.44% GOCC Sector average score in the Corporate Governance Scorecard



Validated 72% of GOCCs' quarterly monitoring reports



Resolved 95% of Whistleblowing Reports within 45 calendar days from receipt of complete documents



Reviewed 33% of GOCCs in terms of competitive neutrality issues and provided recommendations for 100% of GOCCs with identified competition issues



Addressed three (3) priority competency gaps within GCG



Obtained ISO 9001:2015 certification



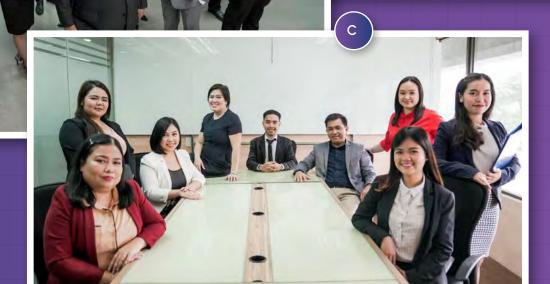
Adopted the Information and Cyber Security Policy Framework of GCG

GCG Culture and Values

b

The Governance Commission recognizes that it can only achieve its vision and objectives through its most important asset





- The GCG Commission Proper
- The Human Capital Management Division under the Administrative and Finance Office









Guided by its Core Values, GCG employees

work towards achieving its strategic objectives and enhancing the GOCC Sector

serve the Filipinos.

- The Finance Division Under the Administrative and Finance Office
- Administrative Division Under the Administrative and Finance Office

At GCG,



that good governance begins within the agency.



for the highest standard of excellence and service.

we aspire

- h. The Information and Communications Technology Group under the Office of the Commission Proper
- i. The Strategy Management Division under the Office of the Commission Proper
- j. The Corporate Standards Office
- k. The Office of the General Counsel



transparency, accountability, and fairness.



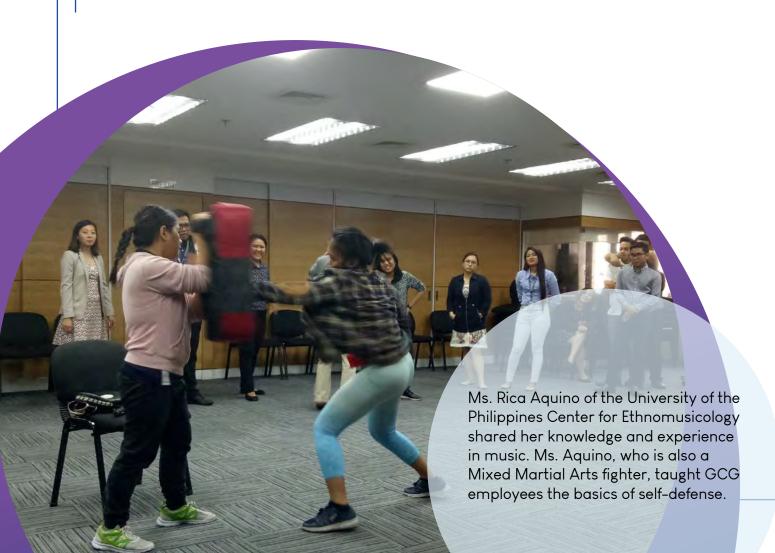
At the end of the day, we are dedicated in putting prime importance to serving the Filipino people.

- The Corporate Governance Office A
- The Corporate Governance Office B

Inspiring the Women and Men of the Governance Commission

Accordingly, GCG not only strengthens the capability of its employees to deliver services, it also reinforces the culture and values that bind the women and men of the organization through various internal programs and activities.

In its pursuit of gender and development (GAD), the GCG regularly holds activities that seek to empower both men and women. The Governance Commission held a GAD Forum in 2018 consisting of a series of talks, activities, and workshops that seek to educate and inspire the women and men of the organization.







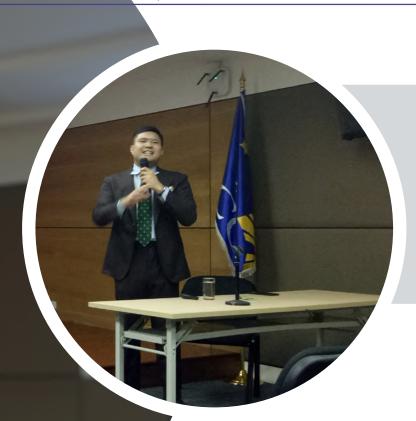


The President of the Philippine Guidance and Counseling Association, Inc. (PGCA), Dr. Shiela Marie G. Hocson, talked about Mental Health and Counseling. Dr. Hocson discussed the value of and how to care for one's mental health.





A GCG employee practicing calligraphy during Ms. Rayna Fortes' workshop.



Mr. Kevin Yapjoco, a lifestyle blogger and manager of the menswear store – Signet, shared tips for men on corporate clothing, grooming, and style.



Mr. Kevin Yapjoco poses with GCG employees after his talk on Corporate Clothing, Grooming, and Style for Men.

74 GCO Culture and Values 2018 GCG Annual Report

Planning towards Continual Improvement



GCG Audited Financial Statement





The Commission on Audit (COA) audited the accompanying financial statements of the Governance Commission which comprise of the statement of financial position as of December 31, 2018, the statement of financial performance, statement of cash flows, statement of changes in net assets/equity, statement of comparison of budget and actual amounts for the year then ended and notes to the financial statements including a summary of significant accounting policies and other explanatory information.

The COA finds that:

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the GCG as [of] December 31, 2018, and its financial performance, statement of cash flows, statement of changes in net assets/ equity, statement of comparison of budget and actual amounts for the year then ended in accordance with Philippine Public Sector Accounting Standards (PPSASs).10

Statement of Financial Position

As of December 31, 2018

(in Philippine Peso)

	Note	2018	2017
Assets			
Current Assets			
Cash and cash equivalents	5	1,755,981.14	1,819,784.14
Receivables	6	2,536,458.51	5,125,951.21
Inventories	7	891,892.06	1,746,250.53
Other Current Assets	8	3,891,771.54	546,834.53
otal Current Assets		9,076,103.25	9,238,820.4
Non-Current Assets			
Property, Plant and Equipment	9	99,889,509.73	104,420,792.56
Intangible Assets	10	74,881.93	1,158,719.47
Total Non-Current Assets		99,964,391.66	105,579,512.03
Total Assets		109,040,494.91	114,818,332.44
Liabilities	Note	2018	2017
Current Liabilities			
Financial Liabilities	11	13,814,274.04	6,790,729.44
Inter-Agency Payables	12	2,996,764.36	1,177,621.44
Trust Lia <mark>biliti</mark> es	13	1,938,248.57	1,893,911.10
Other Payables	14	2,220,080.19	1,659,149.61
Total Liabilities		20,969,367.16	11,521,411.59
		88,071,127.75	103,296,920.85
TOTAL ASSETS LESS TOTAL LIABILITIES		33,11, =11.	.55,275,725.55
OTAL ASSETS LESS TOTAL LIABILITIES Net Assets/Equity	Note	2018	
Net Assets/Equity			
Net Assets/Equity			
Net Assets/Equity			2017 103,296,920.85

Statement of Financial Performance

For the Year Ended December 31, 2018

(in Philippine Peso)

(in Philippine Peso)	Note	2018	Restated 2017
Revenue			
Service and Business			
Income	16	23,458.94	1,969.58
Total Revenue		23,458.94	1,969.58
Less Current Operating Expenses	I.A.M. A.		
Personnel Services	18	79,659,230.14	70,761,080.3
Maintenance and Other Operating Exp	enses 19	59,183,679.57	48,029,501.98
Financial Expenses	20	200.00	350.00
Non-Cash Expenses	21	8,830,654.60	9,130,082.0
Current Operating Expenses		147,673,764.31	127,921,014.3C
Surplus (Deficit) from Current Operati	ions	(147,650,305.37)	(127,919,044.72)
Financial Assistance/Subsidy from LGUs, GOCCs		132,875,873.63	118,884,583.69
Gains	17	51,060.44	103,187.90
		132,926,934.07	118,987,771.59
SURPLUS (DEFICIT) FOR THE PERIO	D	(14,723,371.30)	(8,931,273.13)

Statement of Cash Flows

For the Year Ended December 31, 2018

(in Philippine Peso)

	Note	2018	2017
Cash Flows from Operating Activitie	es :		
Cash Inflows			
Receipt of Notice of Cash Allocation	15	150,612,676.00	143,371,831.00
Receipt of Trust Liabilities		189,320.50	490,800.05
Collection of Income/Revenues		50,826.00	103,187.90
Other Receipts	28	565,912.38	257,659.38
Total Cash Inflows		151,418,734.88	144,223,478.33
Cash Outflows			
Re <mark>mitt</mark> ance to National Treasury		697,275.63	293,387.67
Payment of Expenses	23	91,405,129.41	77,617,699.76
Purchase of Inventories		252,639.38	488,639.44
Grant of Cash Advances		3,593,009.65	2,488,565.62
Prepayments		2,107,003.92	2,015,781.66
Refund of Deposits		188,313.88	796,185.60
Release of Inter-Agency Fund Transfers	24	6,731,373.18	5,437,272.84
Payment of Accounts Payables	25	5,123,478.01	3,706,408.73
Remittance of Personnel Benefit Contributions and Mandatory Deductions	26	12,923,732.21	11,764,419.59
Other Disbursements	29	9,438.75	1,274,012.24
Reversal of Unutilized NCA	15	27,912,686.80	36,416,653.50
Adjustments		200.00	
Total Cash Outflows		150,944,280.82	142,299,026.65
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		474,454.06	1,924,451.68

3CG Audited Financial Statement			2010 OCO Allitudi Repor
	Note	2018	2017
Cash Flows from Investing Activities			
Cash Inflows			
Cash Outflows	27	538,257.06	1,155,859.97
Purchase of machinery and equipment		538,257.06	1,155,859.97
Net Cash Provided By (Used In) Investing Activities		(538,257.06)	(1,155,859.97)
Net Cash Provided By (Used In) Financing Activities		-	-
Increase (Decrease) in Cash and Cash Equivalents		(63,803.00)	768,591.71
Cash and Cash Equivalents, Janu	iary l	1,819,784.14	1,254,222.83
CASH AND CASH EQUIVALENT DECEMBER 31	ΓS,	1,755,981.14	2,022,814.54
Statement of Chang General Fund	ges in Net Asse	ts/Equity	
For the Year Ended Decemb	per <mark>31, 2018</mark>		
(in Philippine Peso)			
	Note	2018	Restated 2017

	Note	2018	Restated 2017
BALANCE AT DECEMBER 31		103,491,774.68	114,436,321.42
Prior Period		. Vannet	
Adjustments/Unrecorded Income and Expenses	4	-	(1,719,885.94)
Restated balance		103,491,774.68	112,716,435.48
Changes in net assets/equity for Calendar Year			
Adjustment of net revenue recognized directly in net assets/equity ¹¹		(697,275.63)	(293,387.67)
Surplus/Deficit for the period		(14,723,371.30)	(8,931,273.13)
Total recognized revenue and expense for the period		(15,420,646.93)	(9,224,660.80)
BALANCE AT DECEMBER 31 CARRIED FORWARD		88,071,127.75	103,491,774.68



2018 GCG Annual Report

3000	Sector	Financial	Summ	aries
3000	Sector	rinanciai	Summ	aries

in P Millions GOCCs by Sectors			Assets In P Millions			Liabilities In P Millions			Net Worth In P Millions		
		2017	2018	% Change	2017	2018	% Change	2017	2018	% Change	
I. GOVERNMENT FINANCIAL INSTITUTIONS SECTOR	S SECTOR	4,844,924.91	5,296,266.39	%6	2,381,271.07	2,715,610.17	14%	2,463,653.84	2,580,656.22	2%	
Banking Institutions		2,226,995.89	2,561,628.57	15%	2,063,086.38	2,372,777.55	15%	163,909.51	188,851.02	15%	
Al-Amanah Islamic Investment 1. Bank of the Philippines	AIIBP	734.20	797.26	%6	495.56	634.89	28%	238.64	162.37	-32%	
2. Development Bank of the Philippines	DBP	592,355.10	669,744.90	13%	544,270.26	618,583.44	14%	48,084.84	51,161.47	%9	
3. DBP Data Center, Inc.	DCI	170.85	150.98	-12%	124.23	115.26	%/-	46.63	35.72	-23%	
4. Land Bank of the Philippines	LANDBANK	1,623,837.51	1,881,117.09	%91	1,509,813.59	1,744,554.60	16%	114,023.93	136,562.49	20%	
5. Development Foundation, Inc.	LCDFI	105.04	101.40	-3%	1.98	2.64	34%	103.06	98.76	-4%	
LBP Resources and 6. Development Corporation	LBRDC	648.70	682.29	2%	78.29	92.09	18%	570.41	590.20	3%	
Overseas Filipino Bank 7. (formerly Philippine Postal Savings Bank)	OFB	9,144.48	9,034.65	-1%	8,302.48	8,794.64	%9	842.00	240.02	%12-	
Non Banking Institutions		347,632.63	381,574.12	10%	163,077.95	174,252.78	%/_	184,554.69	207,321.34	12%	
8. Credit Information Corporation	OIC	168.95	125.33	-26%	24.27	16.48	-32%	144.68	108.85	-25%	
9. DBP Leasing Corporation	DBP-LC	2,669.99	2,860.89	2%	1,565.60	1,834.38	17%	1,104.40	1,026.51	%/-	
10. Home Guaranty Corporation	НСС	32,258.61	36,100.96	12%	23,789.33	26,061.90	10%	8,469.27	10,039.07	%61	
11. LBP Insurance Brokerage, Inc.	ΠΒΙ	1,257.71	1,301.41	3%	267.31	250.16	%9-	990.40	1,051.25	%9	
12. LBP Leasing and Finance Corporation	LBP-LFC	4,299.14	4,789.18	11%	2,815.37	3,259.65	%91	1,483.77	1,529.54	3%	
13. Masaganang Sakahan, Inc.	MSI	221.57	188.01	-15%	62.08	39.53	-36%	159.49	148.48	%/-	
National Development Company	NDC	17,864.64	19,267.87	8%	5,475.74	4,937.18	-10%	12,388.90	14,330.69	16%	

	% Change	%21	15%	12%	33%	12%	-25%	3%	-2%	%1	%11	13%	1%	%0	
Net Worth	2018	2,088.51	1,971.55	164,430.16	3,855.42	6,170.84	570.48	2,184,483.86	786.93	1,113,539.67	477,673.15	97,144.00	495,340.12	00.0	
2 =	2017	1,779.04	1,710.24	147,150.19	2,899.17	5,514.45	760.69	2,115,189.64	798.97	1,104,780.21	431,532.99	85,990.04	492,087.44	0.00	
	% Change	%	37%	%9	-20%	20%	20%	%6	-11%	13%	-2%	18%	3%	% O	
Liabilities In P Millions	2018	35,296.94	4,856.05	71,931.27	2,889.72	21,190.25	1,689.27	168,579.84	102.98	21,602.88	56,049.43	11.717,77	13,107.44	00.0	
<u> </u>	2017	35,082.18	3,547.68	67,706.90	3,628.10	17,706.72	1,406.66	155,106.74	116.12	19,170.45	57,211.53	65,830.60	12,778.04	0.00	
	% Change	%1	30%	%01	3%	18%	4%	4%	-3%	%1	%6	15%	%	% O	
Assets In P Millions	2018	37,385.46	6,827.61	236,361.43	6,745.14	27,361.09	2,259.75	2,353,063.70	06.688	1,135,142.56	533,722.57	174,861.11	508,447.56	0000	
<u>E</u>	2017	36,861.22	5,257.92	214,857.09	6,527.27	23,221.17	2,167.35	2,270,296.38 2	915.09	1,123,950.66	488,744.52	151,820.63	504,865.48	00.00	
		NHMFC	PCIC	PDIC	SBC	SHFC	PHILEXIM		ECC	GSIS	Pag-IBIG	РНІГНЕАГТН	SSS	VFP	
in # Millions GOCCs by Sectors		National Home Mortgage Finance Corporation	16. Philippine Crop Insurance Corporation	17. Philippine Deposit Insurance Corporation	18. Small Business Corporation	19. Social Housing Finance Corporation	Trade and Investment Development Corporation of the Philippines (also known as PhilEXIM)	Social Security Institutions	21. Employees Compensation Commission	22. Government Service Insurance System	23. Home Development Mutual Fund (Pag-IBIG)	24. Philippine Health Insurance Corporation	25. Social Security System	26. Veterans Federation of the Philippines	
. ⊆							(4)			.,	.,		(4	C4	

GOCC S	ector Find	ancial Su	ummarie	es .												20	18 GCG	Annu	al Report
	% Change	%6	93%	20%	15%	141%	%8-		88%	%91	%61	2%	-2%	%1-	~9~	100%	2%	11%	% 0
et Worth P Millions	2018	309,885.85	1.749.42	567.93	706.51	894.66	-419.68		305,221.17	140,582.97	4,988.04	188.43	648.87	117,647.27	33.13	0.00	21,357.02	99.66	00.00
ZΞ	2017	285,249.93	1,072.28	471.97	616.11	371.80	-387.59		281,945.19	121,303.42	4,200.48	180.19	662.57	118,663.66	34.89	-665.15	19,963.83	89.75	0000
	% Change	16%	46%	4%	-4%	25%	%8-		%9	4%	%/_	44%	-3%	35%	78%	-100%	-21%	4%	% 0
iabilities P Millions	2018	131,487.16	34,091.86	107.01	2,664.26	30,781.50	539.10		80,823.65	39,817.17	3,385.98	74.61	196.54	23,684.92	7.87	0.00	9,163.28	100.36	00.0
→ <u>∈</u>	2017	113,055.59	23,282.59	103.35	2,769.17	19,822.90	587.18		76,229.12	38,112.64	3,156.78	51.79	203.23	17,505.52	4.41	1,112.81	11,649.86	96.32	00.0
	% Change	%11	47%	%21	%0	22%	-40%		%8	13%	14%	13%	-2%	4%	4%	-100%	-3%	%/_	%0
Assets P Millions	2018	441,373.01	35.841.28	674.93	3,370.76	31,676.16	119.42		386,044.81	180,400.14	8,374.02	263.04	845.41	141,332.19	41.00	0.00	30,520.30	200.03	00.0
<u>c</u>	2017	398,305.52	24,354.88	575.32	3,385.27	20,194.70	199.58		358,174.31	159,416.06	7,357.26	231.98	865.80	136,169.18	39.30	447.66	31,613.69	186.07	0.00
		URISM		CITEM	DFPC	PITC	Iddd			BCDA	CDC	ОНМС	LLDA	AHN	PDGCC	PDA	PRA	PPMC	QCDA
GOCCs by Sectors		II. TRADE, AREA DEVELOPMENT AND TOU SECTOR	Trade	Center for International Trade Expositions and Missions	28. Duty Free Philippines Corporation	29. Philippine International Trading Corporation	30. PITC Pharma, Inc.		Area Development	31. Bases Conversion Development Authority	32. Cark Development	33. Corporation	34. Laguna Lake Development Authority	35. National Housing Authority	36. Palacio Del Gobernador Condominium Corporation	37. Partido Development Administration	38. Philippine Reclamation Authority (Formerly PEA)	39. Poro Point Management Corporation	40. Quezon City Development Authority
	Assets Liabilities Net Worth	Assets Liabilities Net Worth In P Millions In P Millions In P Millions 2017 2018 % 2017 2018 %	GOCCs by Sectors Liabilities Liabilities In P Millions In P Mill	Assets In P Millions Change Change Change 1398,305.52 441,373.01 II% 113,055.59 131,487.16 16% 285,249.93 309,885.85 9% 24,354.88 35,841.28 47% 23,282.59 34,091.86 46% 1,072.28 1,749,42 63%	Assets	Assets Liabilities Net Worth In P Millions In P Millions In P Millions 2017 2018 % 2017 2018 % 398,305.52 441,373.01 11% 113,055.59 131,487.16 16% 285,249.93 309,885.85 9% EM 575.32 674,93 17% 23,282.59 34,091.86 46% 1,072.28 1,749.42 63% EM 575.32 674,93 17% 103.35 107.01 4% 471.97 567.93 20% PM 3,385.27 3,370.76 0% 2,769.17 2,664.26 -4% 616.11 706.51 15%	Assets Liabilities Net Worth In P Millions In P Millions Net Worth In P Millions 2017 2018 Change 2017 2018 Change 2017 2018 Change 398,305.52 441,373.01 117 113,055.59 131,487.16 16% 285,249.93 309,885.85 9% EM 575.32 674,93 17% 103.35 107.01 4% 47.97 567.93 20% Co 3,385.27 3,370.76 0% 2,769.17 2,664.26 -4% 47.97 567.93 20% Co 20,194.70 31,676.16 57% 19,822.90 30,781.50 55% 371.80 894.66 141%	Assets Liabilities Net Worth In P Millions Net Worth In P Millions 2017 2018 Change 2017 2018 Change 2017 2018 Change 398,305.52 441,373.01 11% 113,055.59 131,487.16 16% 285,249.93 309,885.85 9% EM 575.32 47% 23,282.59 34,091.86 46% 1,072.28 1,749,42 63% C 3,385.27 3,370.76 0% 2,769.17 2,664.26 4% 4,071.97 567.93 20% PI 199.58 119,42 587.18 19,822.90 30,781.50 55% 371.80 894,66 141%	Absets Liabilities Net Worth 1n P Millions In P Millions In P Millions 398,305.52 441,373.01 III% 13,055.59 131,487.16 16% 265,249.93 300,885.85 9% EM 575.32 674.93 17% 23,282.59 34,091.86 46% 1,072.28 1,749.42 63% EM 575.32 674.93 17% 103.35 107.01 4% 471.97 567.93 20% C 3,385.27 3,370.76 0% 2,769.17 2,664.26 -4% 471.97 567.93 20% PI 199.58 119.42 55% 19,822.90 30,781.50 55% -419.68 -8%	Assets Liabilities Net Worth In P Millions Net Worth In P Millions 2017 2018 % 2017 2018 % 2017 2018 % 398,305.52 441,373.01 11% 118,055.59 131,487.16 16% 285,249.93 309,885.85 9% 24,354.88 35,841.28 47% 23,282.59 34,091.86 46% 1,072.28 1,749.42 63% 5C 33,385.27 3,370.76 0% 2,769.17 2,664.26 -4% 41.97 567.93 20% FI 199.56 119,42 -40% 587.18 30,781.50 -4% 41.97 567.93 141% FI 199.56 119,42 -40% 587.18 30,781.50 -8% -419.66 -8% FI 199.56 119,42 -40% 587.18 589.19 -419.66 -8%	Assets In P Millions In	Assets Liabilities Liabilities In P Millions In P Mi	Assets Assets In P Millions In P Milli	PASSETS PASSETS Liabilities In P Millions In P Milli	PMINIONS Net Worth In PMINIONS In PM	Assets In P Millions In Mi		PASSets Passets Liabilities Net Worth In Patilities Net Worth In Net Wo	Assets Assets Liabilities Net Worth In P Millions In P Millions

	% e	2%	%	- % <u>-</u>	%0	%0	17%	%	%0	%1-	%	%	%0	%0	3%	3%	%0	
	% Change	2	12%	31%	0	0	71	95%	0	T	-2%	10%	0	0	m	ဇ	0	
Net Worth	2018	113.02	19,562.76	2,915.27	00.00	0.00	1,831.90	1,083.37	7,801.01	5,373.97	4,908.62	465.35	0.00	0.00	2,427.04	2,427.04	0.00	
2 =	2017	71:111	17,400.38	2,232.46	00.00	00.00	1,565.52	666.94	7,789.99	5,442.89	5,018.80	424.09	00.00	0.00	2,347.10	2,347.10	0.00	
	% Change	%/-	%	22%	%0	%0	24%	-12%	16%	%41	-23%	30%	%0	%0	14%	14%	%0	
Liabilities In P Millions	2018	22.10	4,370.81	16,571.65	00.0	00.0	15,960.02	611.64	1,370.68	1,006.22	160.83	845.39	0.00	00.00	364.45	364.45	0.00	
	2017	23.87	4,311.88	13,543.88	00.00	0.00	12,846.08	697.80	1,182.54	861.53	210.00	651.52	0.00	00.0	321.02	321.02	0.00	
	% Change	%0	,00 ,01	24%	%0	%0	23%	24%	2%	%	-3%	22%	%0	%0	2%	2%	%0	
Assets In P Millions	2018	135.12	23,933.56	19,486.92	0.00	0.00	17,791.91	1,695.01	9,171.68	6,380.19	5,069.45	1,310.74	0.00	0.00	2,791.49	2,791.49	0.00	
_	2017	135.03	21,712.26	15,776.34	00.0	0.00	14,411.61	1,364.74	8,972.53	6,304.42	5,228.81	1,075.61	00:0	00.00	2,668.12	2,668.12	0.00	
		SPDA	TIEZA		CFI	MRHI	PRetA	TPB	OR		BSP	DAP	GSP	PTA		CCP	NPF	
in P Millions GOCCs by Sectors		Southern Philippines 41. Development Authority	Tourism Infrastructure & 42. Enterprise Zone Authority (formerly PTA)	Tourism	43. Corregidor Foundation, Inc.	44. Marawi Resort Hotel, Inc.	45. Philippine Retirement Authority	46. (formerly PCVC)	III. EDUCATIONAL AND CULTURAL SECTOR	Educational	47. Boy Scouts of the Philippines	Development Academy of the Philippines	49. Girl Scouts of the Philippines	50. Philippine Tax Academy	Cultural	51. Cultural Center of the Philippines	52. Nayong Pilipino Foundation, Inc.	

in **P** Millions

%	Change	77%	%101	24%	-34%	-34%	3%	-2%	-2%	-3%	-264%	%9	-4%	%0	
Net Worth In P Millions	2018	40,771.52	31,881.12	8,890.40	173,378.28	173,073.71	-4,599.50	29,161.90	149,395.72	36,168.68	-52,177.83	14,260.33	864.42	0.00	
	2017	23,023.82	15,826.87	7,196.95	260,916.23	260,532.87	-4,735.35	29,892.20	152,084.11	37,111.01	31,801.63	13,474.76	904.51	0.00	
%	Change	53%	%56	-4%	-4%	-4%	-12%	%9	3%	11%	%9-	%1	-24%	%0	
Liabilities In P Millions	2018	58,628.84	43,848.56	14,780.27	930,826.19	930,160.27	25,087.62	19,784.97	163,474.95	3,955.79	714,695.19	3,079.09	82.65	0.00	
	2017	38,206.18	22,844.31	15,361.87	970,082.21	969,562.64	28,549.01	18,608.60	158,693.95	3,555.58	757,010.32	3,036.19	108.98	0.00	
%	Change	95%	%96	2%	-10%	-10%	-14%	%	%	% -	-16%	2%	%/-	%0	
	2018	99,400.36	75,729.69	23,670.67	1,104,204.47	1,103,233.98	20,488.12	48,946.87	312,870.67	40,124.46	662,517.36	17,339.42	947.07	0.00	
드	2017	61,230.00	38,671.18	22,558.82	1,230,998.45	1,230,095.51	23,813.66	48,500.79	310,778.06	40,666.60	788,811.95	16,510.96	1,013.49	0.00	
			PAGCOR	PCSO			NEA	NPC	TRANSCO	PNOC	PSALM	PNOC-EC	PNOC-RC	PEMC	
GOCCs by Sectors		IV. GAMING SECTOR	Philippine Amusement and Gaming Corporation	Philippine Charity Sweepstakes Office	V. ENERGY AND MATERIALS SECTOR	Energy	National Electrification Administration	National Power Corporation	National Transmission Corporation	Philippine National Oil Company	Power Sector Assets and Liabilities Management Corporation	PNOC Exploration Corporation	PNOC Renewables Corporation	Philippine Electricity Market Corporation	
		IV. GA	53.	54.	V. ENE		55.	56.	57.	58.	59.	9	61.	62.	

Mathematical Particular and Fatherical Particular Particular and Fatherical Particular and Fat	GOCCs by Sectors	ဟု	<u> </u>	Assets In P Millions			Liabilities In P Millions		2 =	Net Worth In P Millions	
0.00			2017	2018	% Change	2017	2018	% Change	2017	2018	% Change
1000	Materials		902.93	970.49	%/_	519.57	665.93	28%	383.36	304.57	-21%
0.00		BBGMI	0.00	0.00	%0	0.00	0.00	%0	0.00	0.00	%0
186,48		BFI	0.00	0.00	%0	0.00	0.00	%0	0.00	0.00	%0
1,386.72 36,551.15 -89% 475,728.35 167,058.93 -65% -129,922.12 -130,507.78 -1386,728 -96% 475,728.35 167,058.93 -65% -129,922.12 -130,507.78 -1386,728 -96% 476,728.35 146,90 -28% 1,192,33 1,460.38 -1386,728 -96% 476,210.14 162,046.75 -66% -146,769.79 -148,363.90 -		NRDC	486.48	475.83	-2%	374.09	375.98	%!	112.39	99.85	-11%
1,386.72 36,55115 494.66 19% 145,48 289.94 99% 270,97 20472 1.30,507.78 336,769.39 28,442.05 -92% 473,697.69 165,962.18 -65% -126,928.29 -130,507.78 1,386.72 1,601.28 15% 194.39 140.90 -28% 1,192.33 1,460.38 1,703.25 1,386.72 1,601.28 15% 194.39 140.90 -28% 1,192.33 1,460.38 1,703.25 1,729,97 1,865.80 8% 176.05 162.54 -66% -146,769.79 -148,363.90 1,703.25 3,483.6 3,277.84 8% 993.79 904.06 -4% 2,109.58 2,373.78 3,412.63 3,409.45 0% 2,044.07 1,867.87 -9% 1,368.55 1,541.58 0,00 0,00 0% 0,00 0,00 0% 0,00 2,456.75 3,293.76 34% 88.70 793.27 794% 2,368.05 2,500.49		NDMC	00.00	0.00	%0	0.00	00.0	%0	0.00	00.0	%0
345,806.24 36,55115 -89% 475,728.35 167,058.93 -65% -129,92212 -130,507.78 336,769.39 28,442.05 -92% 473,697.69 165,062.18 -65% -136,928.29 -137,520.13 1,386.72 1,601.28 15% 194.39 140.90 -26% 1,146.038 1 1,729,97 1,865.80 8% 176.05 162.64 -8% 1,553.92 1,703.25 1 3,048.36 3,240.35 3,240.35 0% 2,044.07 1,867.87 -9% 1,246.69 1,541.58 00 0,00 0<			416.45	494.66	%61	145.48	289.94	%66	270.97	204.72	-24%
Agriculture and Fisheries 336,769.39 28,442.05 -92% 473,697,69 165,962.18 -65% -186,928.29 -137,520.13 National Dairy Authority NDA 1,386,72 1,601.28 15% 194.39 140.90 -28% 1,192.33 1,460.38 7 National Dairy Authority NFA 1,386,72 1,601.28 -96% 470.210.14 162.046.75 -66% -146,769,79 -148,383.90 1 National Tobacco NITA 1,729.97 1,865.80 8% 776.05 162.54 -8% 1,533.92 1,703.25 1 Philippine Esteries PPDA 3,409.45 0% 2,044.07 1,867.87 -9% 1,539.92 1,543.58 1,543.68	VI. AGRICULTURE, FISHERIES AND FOO	OD SECTOR	345,806.24	36,551.15	%68-	475,728.35	167,058.93	~99	-129,922.12	-130,507.78	%0
Agriculture and Fisheries 336,769,39 28,442,05 -92% 473,697,69 165,962,18 -65% -136,928,29 -137,220,13 National Dairy Authority NDA 1,386,72 1,601,28 15% 194,39 140,90 -28% 1,192,33 1,460,38 7 National Dairy Authority NFA 1,720,97 1,865,80 8% 176,05 162,54 -6% -146,769,79 -146,769,79 -146,383 7 Administration NTA 1,720,97 1,865,80 8% 176,05 162,54 -6% 1,703,25 1,703,25 1 Philippine Fisheries PFDA 3,048,36 3,277,84 8% 704,05 -6% 1,561,58 1,541,58 1,541,58 Philippine Fisheries PPID 1,294,61 1,311,08 1% 46,78 3% 1,240,07 1,243,00 1,541,58 Philippine Sigar Corporation PHILSUCOR 1,294,05 0,00 0,00 0,00 0,00 0,00 0,00 0,00 0,00 0,00 <td< th=""><th></th><th></th><th></th><th></th><th></th><th></th><th></th><th></th><th></th><th></th><th></th></td<>											
National Dairy Authority NDA 1,386,72 1,601,28 15% 194,39 140,90 -28% 1,192,33 1,46,38 National Dairy Authority NFA 323,440.35 13,682.85 -96% 470,210.14 162,046.75 -66% -146,769.79 -148,363.90 National Tobacco NITA 1,729,97 1,865.80 8% 70,210.14 162.04.75 -66% -146,769.79 -148,363.90 National Tobacco NITA 1,729,97 1,865.80 8% 704.05 -66% -165,769.79 -148,363.90 Philippine Esharis PFDA 3,048,36 3,277.84 8% 938.79 904.06 -4% 2,109.58 2,373.78 Philippine Esharis PFDA 3,412.63 3,409.45 0% 0 -9% 1,246.97 1,541.58 Philippine Sugar Corporation PHILSUCOR 1,294.61 1,311.08 1% 46.78 3% 1,249.07 1,249.07 1,249.07 1,249.07 0.00 0 0 0 0 0	Agriculture and Fisheries		336,769.39	28,442.05	-92%	473,697.69	165,962.18	-65%	-136,928.29	-137,520.13	%0
National Food Authority NFA 323,440.35 13,682.85 -96% 470,210.14 162,046.75 -66% -146,769.79 -148,363.90 -1703.25 11,833.30 -1703.25 11,033.25		NDA	1,386.72	1,601.28	15%	194.39	140.90	-28%	1,192.33	1,460.38	22%
National Tobacco NTA 1,729,97 1,865.80 8% 176.05 162.54 -8% 1,553.92 1,703.25 Administration PCA 3,048.36 3,277.84 8% 938.79 904.06 -4% 2,109.58 2,373.78 Philippine Fisheries PFDA 3,412.63 3,409.45 0% 2,044.07 1,867.87 -9% 1,541.58 1,541.58 Philippine Fisheries PFDA 3,412.63 3,409.45 0,00 0 <t< td=""><td></td><td>NFA</td><td>323,440.35</td><td>13,682.85</td><td>%96-</td><td>470,210.14</td><td>162,046.75</td><td>%99-</td><td>-146,769.79</td><td>-148,363.90</td><td>-1%</td></t<>		NFA	323,440.35	13,682.85	%96-	470,210.14	162,046.75	%99-	-146,769.79	-148,363.90	-1%
Philippine Fisheries PFDA 3,048.36 3,277.84 8% 938.79 904.06 -4% 2,109.58 2,373.78 Philippine Fisheries PFDA 3,412.63 3,409.45 0% 2,044.07 1,867.87 -9% 1,541.58 1,541.58 Development Authority PHILSUCOR 1,294.61 1,311.08 1% 45.55 46.78 3% 1,249.07 1,264.30 Phividec Panay Agro-Industrial Corp. PPAC 0.00 0.00 <		NTA	1,729.97	1,865.80	8%	176.05	162.54	%8-	1,553.92	1,703.25	10%
Philippine Fisheries Development Authority PFDA 3,412.63 3,409.45 0% 2,044.07 1,867.87 -9% 1,368.55 1,541.58 Philippine Sugar Corporation PHILSUCOR 1,294.61 1,311.08 1% 45.55 46.78 3% 1,249.07 1,264.30 Phividec Panay Agro-Industrial Corp. 0.00 0.00 0% 0.00<		PCA	3,048.36	3,277.84	8%	938.79	904.06	-4%	2,109.58	2,373.78	13%
Philippine Sugar Corporation PHILSUCOR 1,294.61 1,311.08 1% 45.55 46.78 3% 1,249.07 1,264.30 Phividec Panay Agro-Industrial Corp. 0.00		PFDA	3,412.63	3,409.45	%0	2,044.07	1,867.87	%6-	1,368.55	1,541.58	13%
Phividec Panay Agro-Industrial Corp. PPAC 0.00		PHILSUCOR	1,294.61	1,311.08	%	45.55	46.78	3%	1,249.07	1,264.30	%!
Sugar Regulatory SRA 2,456.75 3,293.76 34% 88.70 793.27 794% 2,368.05 2,500.49 Administration		PPAC	0.00	0.00	%0	0.00	0.00	%0	0.00	0.00	%0
		SRA	2,456.75	3,293.76	34%	88.70	793.27	794%	2,368.05	2,500.49	%9

GOCCs by Sectors		Assets In P Millions			Liabilities In 🗗 Millions		Z	Net Worth	
	2017	2018	% Change	2017	2018	% Change	2017	2018	% Change
Food	9,036.84	8,109.10	-10%	2,030.67	1,096.75	-46%	7,006.18	7,012.35	%0
Food Terminal, Inc. (PMO)	8,737.12	7,887.67	%OI-	1,161.69	247.06	%62-	7,575.43	7,640.61	%1
National Sugar Development NASUDECO Company (PMO)	00.0	0.00	%0	0.00	0.00	%0	0.00	0.00	%0
Northern Foods Corporation NFC	299.72	221.43	-26%	868.97	849.69	-2%	-569.25	-628.26	-10%
Legaspi Oil Company, Inc.	1	1	1	1	1	1	í	ı	1
Granexport Manufacturing Corporation	1	1	- 1	ı	1	- 1	,	1	'
San Pablo Manufacturing Corporation	1	ı	ı	ı	ı	ı	ı	ı	ı
Cagayan De Oro Oil Company, Inc.	ı	ı	-	ı	ı	,	ı	1	1
Southern Luzon Coconut Oil Mill, Inc.	1	1	1	ı	1	1	1	1	1
lligan Coconut Industries, Inc.	ı	ı	ı	ı	I	ı	I	I	ı
VII. UTILITIES AND COMMUNICATIONS SECTOR	890,628.74	928,980.26	4%	309,480.37	284,779.67	%8-	581,148.37	644,200.59	%!!
Utilities	875,878.32	913,193.85	4%	302,103.29	276,812.97	%8-	573,775.03	636,380.88	11%
Cebu Port Authority CPA	6,964.87	7,446.82	%/_	622.02	735.92	18%	6,342.86	6,710.90	%9
Civil Aviation Authority of the CAAP Philippines	82,647.19	69,575.28	%9l-	4,648.31	2,694.77	-42%	77,998.88	66,880.51	-14%
Clark International Airport Corporation	3,117.99	4,631.53	49%	2,512.39	3,628.10	44%	605.59	1,003.43	%99
Light Rail Transit Authority LRTA	67,846.24	64,474.04	-5%	67,880.33	70,510.20	4%	-34.09	-6,036.16	-17608%
Local Water Utilities Administration	15,480.66	14,964.50	-3%	7,556.25	5,127.61	-32%	7,924.41	9,836.88	24%
Mactan-Cebu International MCIAA Airport Authority	13,066.72	65,043.32	398%	903.89	819.64	%6-	12,162.84	64,223.68	428%
Manila International Airport Authority	54,622.86	59,323.06	%6	10,454.00	11,695.15	12%	44,168.86	47,627.91	%8

	% Change	%!-	1	01	100%	%0	11%	-100%	-2%	%	%9	83%	%6	2%	%0	%0	
Net Worth In P Millions	2018	44,919.10	1	254,566.49	0.00	00.00	123.30	0.00	23,854.40	122,670.43	7,819.71	348.37	2,053.12	5,418.22	0.00	0.00	
ΖΞ	2017	45,233.87	1	231,225.36	-1,336.80	0.00	110.95	3,824.36	24,459.16	121,088.78	7,373.34	190.71	1,876.07	5,306.56	0.00	00.00	
	% Change	% 8-	1	%2	-100%	%0	39%	-100%	8%	2%	8%	46%	-10%	3%	%0	%0	
Liabilities In P Millions	2018	11,598.39	ı	128,924.17	00.00	00.00	65.94	00.00	30,321.52	10,691.55	7,966.70	1,633.74	599.90	5,733.05	0.00	00.0	
<u> </u>	2017	12,554.75	ı	120,617.87	21,794.35	00.0	47.29	13,980.31	28,024.99	10,506.54	7,377.08	1,121.08	667.49	5,588.51	0.00	00:00	
	% Change	-2%	ı	%6	-100%	%0	20%	-100%	3%	%	%/_	51%	4%	5%	%0	% 0	
Assets In P Millions	2018	56,517.48	1	383,490.66	0.00	0.00	189.25	00.00	54,175.93	133,361.98	15,786.41	1,982.11	2,653.02	11,151.28	0.00	00.00	
<u>e</u>	2017	57,788.62	ı	351,843.24	20,457.55	0.00	158.24	17,804.67	52,484.15	131,595.33	14,750.42	1,311.80	2,543.56	10,895.07	0.00	0.00	
(0		MWSS-CO	MWSS-RO	V V	NORTHRAIL	PEA-TC	PADC	PNCC	PNR	РРА		APO-PUI	PTN	PHLPOST		LUMC	
GOCCs by Sectors		Metropolitan Waterworks and 92. Sewerage System-Corporate Office	Metropolitan Waterworks and Sewerage System-Regulatory Office	93. National Irrigation Administration	94. North Luzon Railway Corporation	95. PEA Tollway Corporation	96. Development Corporation	Philippine National 97. Construction Corporation (PMO)	98. Philippine National Railways	99. Philippine Ports Authority	Communications	100. APO Production Unit, Inc.	101. People's Television Network, Inc.	102. Philippine Postal Corporation	VIII. HEALTHCARE SERVICES SECTOR	103. La Union Medical Center	

GOCCs by Sectors		<u> </u>	Assets In P Millions			Liabilities In P Millions		ŽΞ	Net Worth In P Millions	
		2017	2018	% Change	2017	2018	% Change	2017	2018	% Change
IX. REALTY/HOLDING COMPANIES		167.85	126.10	-25%	22.27	27.34	23%	141.07	98.76	-30%
104. Batangas Land Company, Inc.	BLCI	60.03	65.78	%01	14.99	21.02	40%	45.04	44.76	%1-
105. First Cavite Industrial Estate, F. Inc.	FCIEI	0.00	0.00	%0	0.00	0.00	%0	00.00	0.00	%0
106. G.Y. Real Estate, Inc.	GYREI	62.47	33.82	-46%	2.39	1.03	-27%	80.09	32.79	-45%
107. Kamayan Realty Corporation	KRC	40.83	22.11	-46%	4.70	5.06	%8	36.13	17.06	-53%
108. Pinagkaisa Realty Corporation P	PiRC	4.52	4.39	-3%	0.19	0.23	26%	-0.18	4.16	2456%
109. ASC Investors, Inc.		1	1		1	ı		1	1	
110. ARC Investors, Inc.		ı	ı		ı	ı	ı	1	ı	ı
III. Anglo Ventures, Corp.		1	1		1	1		1	1	
112. Fernandez Holdings, Inc.		1	1	ı	1	ı	ı	1	1	1
First Meridian Development, Inc.			1	-		1	,	ı	1	1
114. Randy Allied Ventures, Inc.		1	1	ı	ı	1	ı	ı	1	1
115. Rock Steel Resources, Inc.		ı	ı		ı	ı		ı	ı	ı
116. Roxas Shares, Inc.		1	ı	1	ı	1	ı	1	ı	1
117. San Miguel Officers Corp., Inc.		ı	1		ı	ı		ı	ı	1
118. Te Deum Resources, Inc.		ı	1	ı	1	1	ı	I	1	l
119. Toda Holdings, Inc.		1	1		ı	ı	1	ı	1	1
120. Soriano Shares, Inc.		ı	ı	1	ı	ı	1	1	ı	1
121. Valhalla Properties, Inc.		1	1		1	1	-	1	1	
TOTAL GOOD SECTOB	107.1									



GOVERNANCE COMMISSION FOR GOCCs 3F Citibank Center 8741 Paseo de Roxas Avenue, Makati City

